



Daily Report

East Asia

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Officials Study ASEAN Joint Ventures Scheme

*BK0609055195 Bangkok BANGKOK POST
in English 6 Sep 95 p 6*

[Report by Somphon Thapanachai, Wichit Sirithawiphon and Atchara Atchayakachat]

[FBIS Transcribed Text] The Association of Southeast Asian Nations has yet to reach agreement on a scheme to replace the investment cooperation programmes under the ASEAN Investment Joint Venture and Brand to Brand Complementation.

Members of the ASEAN Chamber of Commerce and Industry are to meet ASEAN ministers on Friday to propose the structure of the new investment cooperation scheme.

The ASEAN Investment Joint Venture covers projects granted preferential tariffs. Investors are subject to only a 10 percent tariff for products manufactured under the project.

Brand to Brand Complementation grants a 50 percent tariff preference to investments in the production of auto parts.

Sources at the Thai Industry Ministry say the working group on these issues met in Bangkok recently but was not able to reach a conclusion on the structure of the new scheme.

There was a proposal that investors in ASEAN under the new scheme should automatically receive privileges from the Board of Investment of each individual member country.

The proposal is likely to draw more investment to the region. Investors will be allowed to bring technology to the host country.

The sources say the working group agreed that the new scheme should give a preferential tariff rate of 0-5 percent in the year ahead of 2003 or 2000, which is the target date of completion of the ASEAN Free Trade Area (AFTA).

Sources from the ASEAN secretariat say the preferential tariff benefits granted under the ASEAN Investment Joint Venture and Brand to Brand Complementation programme will lose their attractiveness from the point of view of drawing investment to the region.

This is because trade in other products under AFTA will enjoy similar preferential treatment in the tariff

reduction scheme known as the Common Effective Preferential Tariff.

The private sector therefore wants to see a new scheme that grants privileges in other fields such as the development of technology or the promotion of investment in products that could be manufactured in all ASEAN countries.

A Thai source says the working group now awaits instructions from ASEAN economic ministers in drawing the new scheme to replace the two projects, otherwise they will lack clear direction.

The working group has formed a rough idea about the new scheme which should encompass projects which can be easily implemented and which promise the private sector attractive benefits.

Experts Gather To Discuss Food Supply in Asia

*OW2108141395 Tokyo KYODO in English
1239 GMT 21 Aug 95*

[FBIS Transcribed Text] Fukui, Japan, Aug. 21 KYODO — Some 560 experts from 27 Asian countries began a three-day meeting at a university in Fukui Prefecture, central Japan, on Monday [21 August] to discuss ways to ensure food security for the region, organizers said.

The second Asian Crop Science Conference, organized by the Asian Crop Science Association, is being held at Fukui Prefectural University in Matsuoka to address the issue of food security in the context of a rapid population increase and a worsening global environment.

Norman Borlaug, a U.S. citizen who won a Nobel Peace Prize in 1970 for his contribution to the "Green Revolution" with the development of high-yield grains, gave the keynote speech at the meeting.

Borlaug told delegates that food distribution around the world is deficient and contributes to starvation in many third world countries. He called for cooperation at an international level among scholars to solve the problem.

Speakers from six countries in the region, including Thailand and the Philippines, then took the podium to report on the state of food supplies in their countries.

The meeting will continue through Wednesday with symposiums on environmental problems and the development of biotechnologies.

Japan

Eto, Perry Talks on Security Arrangements Viewed
OW0609115295 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 3 Sep 95 Morning Edition p 2

[By Tetsuro Kozaka]

[FBIS Translated Text] Honolulu, 2 Sep — On 1 September, Defense Agency [DA] Director General Seishiro Eto held consultations with U.S. Secretary of Defense William Perry. During the meeting, Eto disclosed a plan to conclude the "Acquisition and Cross-Servicing Agreement (ACSA)," which aims to facilitate cross servicing such as the mutual supply of fuel between the Self-Defense Forces [SDF] and U.S. Forces during peacetime exercises, as early as next spring. Thus, steady progress can be noted in the process of strengthening the Japan-U.S. security arrangements. At the Japan-U.S. summit talks scheduled for November this year, the Japanese and U.S. Governments plan to announce a joint statement on reconfirming the significance of the Japan-U.S. security arrangements following the end of the Cold War. In this regard, the conclusion of this agreement has become of great importance now. However, since there are several "hot issues," such as the one on mass production of the next-generation support fighters (FSX), there is a possibility that some obstacles to the efforts to strengthen the Japan-U.S. security arrangements will surface.

Eto and Perry met for the first time during the recent defense chief talks, and it can be said that the talks were held in preparation for a series of upcoming talks on strengthening Japan-U.S. security cooperation — the (two-plus-two) talks between Japanese and U.S. ministers in charge of security issues scheduled in New York for the end of September, and the Japan-U.S. summit talks at the Asia-Pacific Economic Cooperation [APEC] Osaka forum in November 1995.

Before starting talks on isolated sectoral subjects, the two defense chiefs took time to reconfirm their intention to maintain the Japan-U.S. security arrangements. During the meeting, Perry said: "What underlies the prosperity in the Asia-Pacific region is the fact that the Japan-U.S. security arrangements have been maintained." Eto stressed: "Unlike economic issues, no misunderstanding should exist between Japan and the United States in dealing with security issues."

As far as concrete measures to strengthen Japan-U.S. security arrangements are concerned, Japan has indicated for the first time a definite timing for signing the ACSA, the conclusion of which the United States has been demanding since 1988. Once this agreement is signed, it would become remarkably easier to carry out operations

under the security arrangements because the U.S. Forces stationed in Japan would be able to receive supplies of material and have equipment checked at any SDF bases in Japan during peacetime training.

Efforts are being made at the working-level so that the two governments can settle the issue of renewing a special agreement on Japan's share of the costs for maintaining U.S. Forces in Japan at the upcoming "two plus two" meetings scheduled at the end of September.

Meanwhile, a headache for Japan concerns the mass production of the FSX fighter, which has been developed jointly by Japan and the United States. The DA plans to mass-produce a total number of 141 fighters. On 1 September, during the talks, Eto officially conveyed to the United States that the DA had turned in a request for expenses for producing 12 FSX fighters as the first quota of the mass production in its budgetary requests for FY96. However, an increasingly strong demand has been noted in Japan for revising the FSX mass production and deployment plans, taking into account the end of the Cold War. If Japan decides to cut the number of FSX fighters to be mass-produced by a large margin, U.S. defense industries, which would otherwise have had mass-orders for the fighter parts, will certainly oppose the idea.

Merit of FSX Mass-Production Questioned

OW0309095895 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 2 Sep 95 Morning Edition p 2

[Editorial: "Are You Going To Mass-Produce the FSX for the Sake of the Defense Industry?"]

[FBIS Translated Text] On the occasion of submitting next year's budget request, the Defense Agency [DA] revealed a plan for mass-producing the next-generation support fighters (FSX) for the Air Self-Defense Forces [SDF]. We have some questions about that plan. Of particular concern are production costs. The agency must come up with a convincing explanation to the taxpaying people of the nation.

According to the plan, the cost for producing the FSX, which is a product of Japan-U.S. joint development, comes to about 8 billion yen per unit; there are plans to produce a total of 141 over a 12-year period from 1996. The FSX is a successor to the current F-1 support fighter. We must note you we are not looking at the matter from such simplistic viewpoints as the one that asserts, "The Cold War is over; we don't need an FSX."

The core of the problem is in the price that runs to 8 billion per piece. Stories have it that the U.S. forces buy their F-16's — the basic model from which the FSX was developed — for about 3 billion yen per

piece. If that is the case, there arises the question: Where does the difference of 5 billion yen per piece — which the taxpayers will have to pay for — come from? Explanations given by the DA on this have yet to be persuasive enough.

The first point to note is that it was during the Cold War days that target capabilities for the FSX were set and a decision on joint development of it with the United States was made.

The support fighters are intended to conduct aerial attacks on invading amphibious forces, and, no doubt, the then Soviet Union's Far East forces were assumed to be the enemy forces. But according to a recent defense white paper, the activities of the troops in the Russian Far East have declined. Does it make sense to bear the cost of an additional 5 billion yen per piece only to maintain the target capabilities set during those days?

The second point to note is that the DA is trying to justify the mass production from the perspective of industrial policy needs. According to the DA, if the jointly developed plane is not mass-produced, the money amounting to 327.4 billion yen invested in the development will have been wasted, and, in addition, subcontractors or other companies concerned will sustain serious damages.

We are aware that high-quality defense technology is crucial to security; however, we must note that in Japan, development of such technology is supposed to belong to the domain of the industrial policy. If the difference of 5 billion yen was contained in the budget for the Ministry of International Trade and Industry, that would have made some sense. The security policy certainly does not exist for the sake of the defense industry. Security policy should not be confused with the industrial policy.

The third point to note is the perception such an issues has on Japan-U.S. relations. The DA cites as a reason for needing to mass-produce the jointly developed aircraft the impact [of deciding against production] on Japan-U.S. relations. But we do not think there will be any adverse impact on Japan-U.S. relations at all if Japan decides to import F-16's from the United States. If the difference of 5 billion yen per piece is real, there will be savings of 500 billion yen for 100 of it, and that will more than cover the waste in the development costs.

Some argue that if the fighters are imported, the SDF will have to bear maintenance costs. But that problem should be able to be resolved technically. Otherwise, that will only mean all SDF equipment must be domestically produced.

The total of 142 fighter plans planned for production include some for use in the Blue Impulse [preceding two words in English] acrobatic aviation. The DA probably is thinking about deciding on mass-producing after cutting down on the number of planes to be produced eventually. But arithmetic bargaining is not what is important. The debate for security should be conducted openly in the Diet before the people of the nation.

We are not saying the import of F-16's are the only alternative given. Security costs money. But that also gives more reason why the government needs to consider, from all possible angles, the choices that are convincing to those who must foot the bill: the taxpayers.

Further Reportage on French Nuclear Tests

Murayama Rejects Resumption

OW0609021095 Tokyo KYODO in English
0157 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Prime Minister Tomiichi Murayama on Wednesday [6 September] strongly criticised France for resuming nuclear testing in the South Pacific and urged the country not to repeat such a test.

Murayama told reporters at his official residence, "the resumption amid such an intensified international call (opposing such tests) is extremely regrettable. I want (France) never to repeat it."

He also said Japan will make efforts to promote the conclusion of a proposed comprehensive test ban treaty through the United Nations.

France detonated a nuclear device at Mururoa Atoll in the South Pacific on Tuesday, the first of a series of planned nuclear tests in the region.

Nosaka Protests Resumption

OW0609013695 Tokyo KYODO in English
0116 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Chief Cabinet Secretary Koken Nosaka on Wednesday [6 September] protested France's resumption of nuclear testing and called on Paris not to conduct further tests.

Nosaka said in a statement that the resumption was "extremely regrettable" and that Japan is taking the issue seriously.

France exploded a nuclear device at Mururoa Atoll on Tuesday, the first of a planned series of nuclear tests in the South Pacific.

Kono Criticizes Resumption

OW0609052195 Tokyo KYODO in English
0447 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Foreign Minister Yohei Kono on Wednesday [6 September] strongly criticized French nuclear testing at the Mururoa Atoll in the South Pacific and urged Paris not to conduct the rest of the planned tests.

Kono told a press conference that he summoned French Charges d'Affaires Denis Gauer to express Japan's "strong regret" that France carried out the first in a series of tests despite Japan's repeated calls not to do so.

He said he urged Paris to reconsider its plan to conduct the rest of the tests planned through May.

Kono said, however, that Japanese Ambassador to France Koichiro Matsuura, currently in Japan, will return to Paris as scheduled.

Kono told Gauer at the outset of the meeting that the purpose of the meeting is to convey Japan's stance following the French Defense Ministry's announcement that it conducted nuclear testing.

Asked when the French ambassador to Japan is returning to Tokyo, Gauer told reporters, "I don't know...no indication."

JCP Sends Protest Letter

OW0609002895 Tokyo KYODO in English
2316 GMT 5 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — The opposition Japanese Communist Party [JCP] sent a letter Wednesday [6 September] to French President Jacques Chirac protesting France's resumption of nuclear testing in the South Pacific, party officials said.

The letter charged that the nuclear test, conducted Tuesday at Mururoa Atoll after a four-year moratorium, represented "the ultimate tyranny by the hegemony of a nuclear weapon state."

It also called on Chirac to give up further testing immediately, saying the test "trampled on an overwhelming protest" by citizens from all over the world, including those in France.

Political Parties Protest

OW0609061195 Tokyo KYODO in English
0553 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Japan's major political parties slammed France on Wednesday [6 September] for restarting nuclear testing

in defiance of a chorus of international calls for a shift in its nuclear policy.

The Liberal Democratic Party, the largest contingent in prime minister Tomiichi Murayama's three-way coalition, said in a statement that Tuesday's test blast at Mururoa Atoll in the South Pacific is "exceedingly regrettable."

"We strongly protest against such a nuclear test, which should be called the enemy of mankind, and demand an immediate halting of experiments," it said.

Murayama's Social Democratic Party (SDP) also denounced Paris for resuming nuclear experiments, saying the move would intensify a nuclear arms race among nuclear powers.

SDP Secretary General Wataru Kubo said in a statement the party will do its utmost to persuade France to stop testing, through diplomatic channels.

New Party Sakigake, the smallest component of Japan's ruling bloc, said the French action is "unforgivable."

In a statement issued under the name of Finance Minister and Sakigake head Masayoshi Takemura, who visited Tahiti to attend an antinuclear rally last weekend, said, "we urge the French Government will listen sincerely to the voices of the international community and never to repeat such a folly."

The main opposition party Shinshinto (New Frontier Party) also issued a statement to protest France's detonation of a nuclear device. The party expressed substantial concern about its possible effects on the global environment.

The Japanese Communist Party sent a letter Wednesday to French President Jacques Chirac protesting France's resumption of nuclear testing.

The letter charged that the nuclear test, conducted after a four-year moratorium, represented "the ultimate tyranny by the hegemony of a nuclear weapon state."

It also called on Chirac to give up further testing immediately, saying the test "trampled on an overwhelming protest" by citizens from all over the world, including those in France.

Kono's Further Criticism

OW0609080195 Tokyo KYODO in English
0735 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Foreign Minister Yohei Kono on Wednesday [6 September] voiced Japan's "strong regret" over French nuclear testing at Mururoa Atoll in the South Pacific and urged Paris to refrain from conducting other planned tests.

Kono told a press conference that he summoned French Charges d'Affaires Denis Gauer to protest the nuclear test, the first in a series of tests, which France conducted earlier in the day despite Japan's repeated calls not to do so.

He said he urged Paris to reconsider its plan to conduct subsequent tests which are scheduled through May.

Kono said, however, that Japanese Ambassador to France Koichiro Matsuura, currently in Japan, will return to Paris as scheduled.

"I'm not thinking of delaying the ambassador's return because it is important to hold high-level contacts (between Japan and France) with the ambassador in Paris to convey Japan's stance and to report to us on France's position," Kono said.

As for other possible measures Japan may take against the French action, Kono said Japan will watch how Paris reacts to the Japanese Government's protests and that he is not considering going to Paris to directly lodge a protest.

Kono said the French nuclear testing is a "great shock" for the Japanese people, who have strong respect for and familiarity with French culture.

He urged France to truly understand the Japanese people's feelings toward nuclear weapons and termed those feelings especially strong in this 50th anniversary year of the atomic bombings of Hiroshima and Nagasaki.

Kono also said Japan particularly regrets that the test was carried out by France, with which Japan had been closely cooperating to discuss nuclear nonproliferation and disarmament at various international conferences and through the Group of Seven industrialized nations which include the two countries.

Kono said that Gauer, serving as charges d'affaires while Ambassador Jean-Bernard Ouvrieu is in Paris, told him that he would convey Japan's stance to Paris but that France will not rescind its plan to go ahead with the series of tests.

He repeated the French position that although France understands the Japanese people's sensitivity toward nuclear weapons, the tests are essential for the security of France as well as for all of Europe.

Gauer was also quoted as saying that unlike other countries, France is making details public about the tests such as duration and number, and that France is positively engaged in efforts to conclude negotiations on the proposed Comprehensive Test Ban Treaty in 1996.

On Tuesday, France protested Japanese Finance Minister Masayoshi Takemura's participation last weekend

in an international rally in Tahiti to protest the nuclear tests.

French Foreign Minister Herve de Charette instructed French Ambassador to Japan Ouvrieu to stay in France for consultations.

Gauer, asked when Ouvrieu is returning to Japan, told reporters, "I don't know... There is no indication."

Tokyo's Conflicting Report on Chirac Visit

Not To Impede Planned Visit

*OW0609110595 Tokyo ASAHI SHIMBUN NEWS
CONFERENCE REPORT in Japanese
0512 GMT 6 Sep 95*

[News conference by Chief Cabinet Secretary Koken Nosaka with unidentified reporters at the Prime Minister's Official Residence 0219-0236 GMT on 6 September]

[FBIS Translated Excerpt] [Passage omitted] [Reporter] Do you not think the French nuclear test will have some impact on President Chirac's plan to visit Japan?

[Nosaka] I do not know when the president will visit Japan. However, if he comes, I think Prime Minister Murayama will also express his regret over the plan to carry out nuclear tests. The prime minister will also ask the president to abandon the plan and will call for his cooperation for the abolition of nuclear weapons. We have no intention at all of impeding his visit. [passage omitted]

MOFA Official: Visit Unlikely

*OW0609130795 Tokyo NHK General Television
Network in Japanese 1000 GMT 6 Sep 95*

[Report by NHK political department reporter Rie Hayashi at the Ministry of Foreign Affairs; from "NHK News 7" program; live]

[FBIS Translated Excerpt] [passage omitted] Referring to the French plan to carry out nuclear tests, a senior official at the Ministry of Foreign Affairs [MOFA] commented this evening on the fact that Japan is inviting French President Chirac as a state guest. He explained his view, saying it is unlikely that President Chirac's visit to Japan will be realized between now and May of next year, the period in which France plans to carry out nuclear tests. [passage omitted]

Bank To Loan Kazakhstan 16.2 Billion Yen

*OW0609085495 Tokyo KYODO in English
0846 GMT 6 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — The Export-Import Bank of Japan said Wednesday

[6 September] it has signed a loan agreement with Kazakhstan for a total of 16.2 billion yen to help the country's economic reforms.

The loan is part of a cofinancing package with the International Monetary Fund (IMF) and the World Bank.

Of the total, 9.72 billion yen is to be advanced along with a \$290 million loan from the IMF, and the remaining 6.48 billion yen with a \$180 million World Bank loan.

The loans are to help Kazakhstan reduce its high inflation rate — 1,160 percent in fiscal 1994 — and stabilize the exchange rate, as well as to deregulate and privatize state enterprises, the bank said.

Kono, Jamaican Foreign Minister Hold Talks

*OW0509125195 Tokyo KYODO in English
0714 GMT 5 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — Jamaican Foreign Minister Seymour Mullings voiced support Tuesday [5 September] for Japan's bid to be elected a nonpermanent member of the UN Security Council for the 1997-1998 term, a Foreign Ministry official said.

Mullings, who doubles as deputy prime minister, expressed the support during a 45-minute meeting with Japanese Foreign Minister Yohei Kono.

Mullings also told Kono his country will urge other Caribbean countries to support Japan in the 1996 election for the nonpermanent seat, the official said.

Tokyo filed its candidacy last year during a monthly gathering of the United Nations' Asian regional meeting.

The Philippines and India are also running for the seat from the region and the member countries are currently trying to narrow the candidacies to a single country.

Mullings also said Japan meets "all the criteria" to become a permanent member of the Security Council, considering its international contributions in the post-Cold War era.

Prior to the meeting, Kono and Mullings exchanged documents on a Japanese cultural grant-in-aid of 46.7 million yen to help a Jamaican University purchase audiovisual equipment for Japanese-language education.

Kono told Mullings that Japan will continue to extend economic aid to the country, especially to improve its economic infrastructure, the official said.

The Jamaican foreign minister is on a seven-day Japan tour which started Saturday and ends Friday.

Eto Proposes Asia-Pacific Security Dialogue

*OW0609002195 Tokyo SANKEI SHIMBUN
in Japanese 4 Sep 95 Morning Edition p 2*

[By Satoshi Sakakibara]

[FBIS Translated Text] Honolulu, 2 Sep — Defense Agency Director General Seishiro Eto, in Hawaii to attend U.S. Government-sponsored "ceremonies marking the 50th year of the end of the Pacific War and World War II," held separate talks with U.S. Defense Secretary William Perry and defense ministers from the ROK, Australia, and Mongolia. He also exchanged opinions with his counterparts from eight more countries, including Cambodia and the Netherlands.

In this series of talks, Eto emphasized, as his "personal opinion," the significance of promoting security dialogues with defense ministers from the Asia-Pacific to establish a military relationship of trust (confidence-building) in the region.

Eto said to Perry, "Now that defense ministers from various countries in the Asia-Pacific region have gathered to attend the ceremonies, we should not waste this great opportunity." He used the same approach when meeting with ROK National Defense Minister Yi Yang-ho and Australian Defense Minister Robert Ray.

Nine countries, including Japan, the United States, Australia, the ROK, Mongolia, Cambodia, Pakistan, and New Zealand, sent their incumbent defense ministers to the ceremonies, while 19 other countries dispatched former defense ministers or military commanders. According to a source accompanying Eto, "It was unprecedented in history" in the Asia-Pacific region to see such a great number of defense ministers gather on the same occasion.

Since various factors that could disrupt military stability exist in this region — for example China's military buildup, the Korean peninsula situation, the Spratly Islands, Sino-Taiwanese relations, and ASEAN's military buildup — it would be quite meaningful to hold defense ministerial dialogues.

With this in mind, Eto decided to use his Hawaii visit as a suitable occasion to appeal for security dialogues. He had already informed Chief Cabinet Secretary Koken Nosaka of his plan at the Prime Minister's Official Residence on 31 August, saying, "To take advantage of this golden opportunity, I would like to propose that the Asia-Pacific nations take turns holding defense ministerial security dialogues." Nosaka replied, "It is an outstanding idea" and granted his "approval."

Although Europe already has frameworks for security dialogues — NATO and the Organization for Security

and Cooperation in Europe (OSCE) [as published] — the Asia-Pacific nations find it difficult to unite because of differing views on issues of security and military strength.

Another problem is the "leadership struggle" between the Ministry of Foreign Affairs and the Defense Agency, which has set up a new "planning office on confidence-building and arms control."

Despite these difficulties, expectations are already placed on Japan. "Since Japan is not only an Asian but also an international superpower, we hope it will contribute to regional peace," Mongolian Defense Minister Shagalyn Jadambaa said in his meeting with Eto on 2 September. Japan will be urged to make further efforts to initiate Asia-Pacific security dialogues.

Tokyo Plans Rice Aid to DPRK Through UN

OW0409110995 Tokyo YOMIURI SHIMBUN
in Japanese 2 Sep 95 Morning Edition p 2

[FBIS Translated Text] On 1 September, touching on the issue of the DPRK's request for UN aid because of the damage caused by this summer's torrential rains, a top Ministry of Foreign Affairs [MOFA] official said: "If the country is seriously damaged, the United Nations, which is investigating this, will request aid from Japan."

This spring, as part of an aid program to relieve the DPRK food shortage, Japan supplied rice as humanitarian assistance. However, it was revealed that a senior Worker's Party of Korea [WPK] official said: "Japan's rice aid is a token of its apology for its past colonial rule." The government and ruling parties are now seeking clarification of the real motive behind his remarks.

The MOFA official's remarks indicates Japan's cautious stand that when it decides to provide aid, it will be part of a UN multilateral aid program, not a bilateral aid program.

Pro-DPRK Group Seeks Tokyo's Emergency Aid

OW0509123095 Tokyo YOMIURI SHIMBUN
in Japanese 5 Sep 95 Morning Edition p 2

[FBIS Translated Text] It is said that the DPRK (North Korea) suffered heavily from damage caused by localized torrential downpours this summer. Regarding this issue, it was disclosed that on 4 September the General Assembly of Korean Residents in Japan (Chongnyon) sounded out the Social Democratic Party of Japan [SDPJ] about emergency aid from Japan. This was disclosed by a senior SDPJ official. Chongnyon reportedly expressed its intention to make an official request in writing in the near future, asking for aid from Japan. North Korea called on the United Nations for aid be-

cause of damage caused by the torrential rains. Although unofficial, it is, however, the first request made to Japan.

Murayama, ROK Foreign Minister Hold Talk

OW0509121495 Tokyo KYODO in English
1026 GMT 5 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — Prime Minister Tomiichi Murayama and South Korean Foreign Minister Kong No-myong on Tuesday [5 September] reconfirmed the importance of improving ties between South and North Korea, a Foreign Ministry official said.

In their 20-minute talk, Murayama and Kong also agreed that Japan, South Korea and the United States should continue close coordination in promoting an international project to provide safer nuclear reactors to North Korea, the official said.

Kong told Murayama that Pyongyang apparently thinks it should hold talks only with the U.S. in realizing the project, but that it needs to understand the importance of dialogue with Seoul as well, the official said.

Under an agreement signed in October between the U.S. and North Korea, Washington pledged to help Pyongyang replace its Soviet-style graphite-moderated nuclear reactors with modern light-water reactors, which produce comparatively less weapons-grade plutonium.

The Korean peninsula Energy Development Organization (KEDO), set up in March, with the U.S., South Korea and Japan as its principal members, is to fund and supply the new reactors.

So far, North Korea and KEDO have been at odds over the site of the talks on the supply of the reactors.

Murayama told Kong that improved relations between Seoul and Pyongyang are important as Japan considers establishing ties with the North, the official said.

Kong, who arrived in Tokyo earlier in the day, was quoted as saying he hopes the planned reopening of talks between North and South Korea on rice aid later this month in Beijing will lead to further inter-Korean dialogue.

The South Korean foreign minister also urged Japan to keep close consultations with South Korea regarding Japan's additional rice assistance to North Korea.

Tokyo offered 300,000 tons of rice to Pyongyang in June to help alleviate its food shortages.

North Korea reportedly has asked Japanese ruling coalition parties for more rice aid.

However, talks on the issue have not started as the parties are checking with Pyongyang about remarks by a high-ranking North Korean official that the rice aid was meant to be a Japanese apology over its wartime actions.

Kong, previously South Korea's ambassador to Japan, is visiting Japan through Thursday to attend the funeral of former Prime Minister Takeo Fukuda on Wednesday.

Fukuda, prime minister from 1976 to 1978, died July 5 at the age of 90.

Kono, ROK's Kong Discuss Nuclear Test Ban

*OW0609052695 Tokyo KYODO in English
0516 GMT 6 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Foreign Minister Yohei Kono urged South Korean Foreign Minister Kong No-myung on Wednesday [6 September] to support Japan's plan to submit a UN resolution calling for a ban on nuclear tests, a Foreign Ministry official said.

Kono's call came just hours after France conducted the first in a series of planned nuclear tests at Mururoa Atoll in the South Pacific and after Kono summoned France's charges d'affaires to express Japan's "strong regret."

Kono told Kong that Japan wants to seek South Korea's understanding toward its plan to submit the UN resolution and that it will consult with Seoul in advance on the contents, the official said.

Kong, in Japan on a three-day visit, replied that South Korea basically does not think there are any problems regarding Tokyo's plan.

Also during the 35-minute meeting, Kong expressed hope that a statement issued by Prime Minister Tomiichi Murayama on Aug. 15 expressing remorse over Japan's wartime role will be the foundation for future relations between South Korea and Japan, the official said.

Kono was quoted as saying that the intended meaning of the statement is that Japan wants to go toward the future by looking squarely at its past.

Touching on North Korea, Kong told Kono that South Korea is closely watching the outcome of a UN survey on flood damage in the North.

Kono briefed Kong on developments surrounding Japan's rice aid to North Korea, the official said.

Tokyo offered 300,000 tons of rice to Pyongyang in June to help alleviate the North's food shortage. North Korea reportedly has asked Japan's ruling coalition parties for additional rice aid.

Kono told Kong that the ruling parties were checking with North Korea over remarks by a high-ranking North Korean official that the aid was meant to be a Japanese apology over Japan's wartime role.

But since North Korea retracted the remarks by saying the rice aid was humanitarian, the government and ruling coalition parties will study Pyongyang's request for additional rice, he was quoted as saying.

Kong, previously South Korea's ambassador to Japan, is visiting Japan through Thursday to attend a memorial service Wednesday for former Prime Minister Takeo Fukuda who died July 5 at the age of 90. Fukuda served as prime minister from 1976 to 1978.

MOF Plans More Efforts To Curb Yen's Rise

*OW0609103695 Tokyo KYODO in English
1028 GMT 6 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — As a downward trend in Japan's current account surplus has become apparent, the Ministry of Finance is planning to step up efforts to curb the yen's strength by announcing a further easing of rules on external investments.

In early August, the ministry decided to deregulate the rules on external loans and investment by institutional investors, such as banks and life insurance companies.

In an effort to urge individual investors to invest more in foreign currency-denominated financial instruments, the ministry has started considering mapping out additional measures, ministry officials said.

The measures are expected to include an easing of rules on foreign currency-denominated deposits and investment in foreign bonds, industry sources said.

When business corporations or individuals deposit money denominated in foreign currencies, equivalent to or greater than 100 million yen, at overseas financial institutions, they are required to get approval from the ministry.

Due chiefly to a sharp rise in imports of manufactured goods, the current account surplus for July, announced Wednesday [6 September], narrowed 20.5 percent from a year earlier to about \$9.2 billion.

The decline in the current account surplus and the Bank of Japan's intervention combined to push the dollar higher to the 99 yen level at one point in Wednesday trading.

The dollar-yen movement fell within the ministry's expectations that the Tokyo foreign exchange market would endorse the downward trend in the current account surplus.

But the ministry is sticking to the judgment that the dollar is still in the process of an orderly reversal — as recently expressed by Finance Minister Masayoshi Takemura.

By keeping close contact with its counterparts in other leading industrialized countries, the ministry is planning to launch coordinated dollar-support intervention if necessary.

Official Urges Economic Stimulus Package

*OW0509111295 Tokyo KYODO in English
1051 GMT 5 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — A senior trade ministry official called Tuesday [5 September] for additional economy stimulus measures, expressing concern over a standstill in recovery.

The official, who declined to be named, warned that Japan's economic growth for fiscal 1995 will be nil unless economy stimulating measures are implemented.

In order for the government to achieve its 2.8 percent growth target for the current fiscal year, a large-scale economic package is necessary, he said.

The official said the package should focus on providing funds to enterprises to help promote restructuring their operations and diversify into new business areas.

He said adjustments of capital investment by enterprises have progressed to a certain extent to bring about favorable effects on the economy.

Ships Shunning Ports Over High Costs

*OW0509085295 Tokyo KYODO in English
0807 GMT 5 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — Cargo vessels are increasingly shunning Japan for transshipments due to high costs, causing concern about the possible hollowing-out of Japanese ports, Transport Ministry officials said Tuesday [5 September].

According to a ministry survey, transshipments accounted for 26.7 percent of all containers handled at Kobe Port in 1992, down from 48.2 percent in 1977. The ratio was only 3 percent at Osaka Port in 1992, down from 45 percent in 1979, while it has been hovering around 12 percent at Yokohama Port.

In contrast, transshipment ratios are around 70 percent for Singapore and 40 percent for Kaohsiung, Taiwan.

Freight ships tend to stay away from Japanese ports because of high costs, the officials said. For example, unloading a 40-foot (12-meter) container cost \$350 in Japan, twice as much as in Singapore and Pusan, South Korea.

Compared with unloading costs in the United States, Europe and Hong Kong, the Japanese cost is 20 to 70 percent higher, the officials said.

They also said anchorage fees are higher in Japan where ships tend to lay longer as port work is halted late at night and on holidays. Ports in Asia and other countries are usually open 24 hours a day.

Another stumbling block is that Japanese ports have an average depth of around 13 meters, not deep enough for giant ships, the officials said. The ministry therefore plans to create a total of 12 piers 14 to 15 meters deep in Tokyo, Yokohama and Kobe ports by 1999.

But shipping industry sources said that South Korea, Taiwan and Hong Kong are expanding hub port facilities at a faster pace.

MOF To Grant Loan to Deposit Insurance Firm

*OW0609014295 Tokyo YOMIURI SHIMBUN
in Japanese 3 Sep 95 Morning Edition p 1*

[FBIS Translated Text] Following the series of bankruptcies involving financial institutions, including Hyogo Bank and Kizu Credit Union, Japan's deposit insurance system reserve, which banks and other financial organizations have been accumulating as premiums, is likely to run dry. Because of this, on 2 September, the Ministry of Finance [MOF] and the Bank of Japan [BOJ] decided that Deposit Insurance Corp. [DIC] (with director Toshihiko Fukui, who is BOJ vice governor) will receive its first loan ever from the central bank.

If the BOJ actually grants the loan, it will be the first case of its kind since the deposit insurance system was formed in 1971. Concurrently, the DIC is expected to raise its premium rate (which is currently 0.012 percent) for the first time in nine years.

Meanwhile, financial authorities plan to make a fundamental review of the deposit insurance system, which was formed almost a quarter of a century ago. Among other things, changes could include an increase in the 500 billion yen credit limit for the central bank and an introduction of a system to collect extra premiums in emergencies.

The MOF and BOJ made the decision because the DIC will need 910 billion yen from the deposit insurance reserve to help three financially troubled institutions write off their huge bad loans. Cosmo Credit Corp. will receive 110 billion yen while Hyogo Bank and Kizu Credit Union will each get about 400 billion yen.

The DIC estimates its reserve at 9400 billion yen, including reserves as of the end of fiscal 1994 and

premiums paid so far in FY95. However, an MOF official said: "It is possible that the amount of financial aid may increase as financial conditions of Kizu Credit Union and other financial institutions are scrutinized further." It is highly possible that the DIC's reserve may run out. Therefore, as a measure for securing a revenue source when the reserve runs out, the MOF decided to give the DIC a BOJ loan, which will be the first loan of its kind since the DIC was established, and setting the limit at 500 billion yen.

The deposit insurance reserve is the sole revenue source of the deposit insurance system, which was formed as a part of measures to protect depositors. Each year, about 1,000 financial institutions, including city banks and credit unions, pay a premium, which is a certain percent of deposit amount they have at the end of the fiscal year, to the DIC.

Together, the institutions pay about 60 billion yen in premiums a year. The DIC invests its reserve funds in such tools as national bonds. Their worth at the end of March 1995 was estimated at 876.6 billion yen, including operational profit. Since the deposit insurance system came into force, the insurance organization has extended 119.2 billion yen in assistance, including low-interest loans, to financially troubled institutions.

After obtaining approval from its management committee, which is the highest decision making organ, the DIC will raise its premiums to pay back the central bank loan.

In addition, the MOF is studying new measures — including the introduction of 1) variable premium rates and 2) a system to collect extra premiums in emergencies — for securing a revenue source.

Australian Rice Makes Debut in Supermarkets

*OW0609120795 Tokyo KYODO in English
1052 GMT 6 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — The first shipment of imported rice debuted on Japanese supermarket shelves Wednesday [6 September] evening in line with Japan's 1993 decision to partially scrap its rice import ban.

The small packages of Australian "Millin" rice were placed on the shelves of six supermarket stores of Daiei Inc. And Seiyu Ltd. In Tokyo and its vicinity.

The Millin brand was developed in Australia with the sole purpose of catering to the dietary preferences of Japanese consumers. The products were harvested in February and March.

In a Daiei retail outlet in Tokyo's Shinagawa ward, the 2-kilogram packet carries a price tag of 860 yen while the 5-kilogram packet retails for 2,140 yen.

The prices are some 15 to 30 percent lower than upmarket Japanese brands of the same quality, Daiei officials said.

Shoppers were given opportunities to taste "onigiri" rice balls made of Millin rice.

A housewife who tasted a sample said, "it's glutinous and doesn't taste so different from Japanese brands."

Both Daiei and Seiyu plan to increase the number of stores that sell the Millin brand from Thursday. Daiei plans to sell a total of 15 tons of the brand, while Seiyu plans to sell 17 tons.

Ito-Yokado Co. and other supermarket chain operators also plan to start selling the Millin brand as early as Wednesday.

The rice was auctioned in late July by an institution supervised by the food agency under its simultaneous buy and sell (sbs) auction formula. The formula empowers the agency to buy all imported rice from trading houses before selling it to wholesalers.

The government sold the Millin rice to wholesalers at 374 yen per kilogram or 1,870 yen per 5 kilograms.

Officials of both Daiei and Seiyu said they have not yet decided whether to market other imported rice brands in coming months.

A Seiyu official said, "we're looking at this (sales campaign) as a test of consumer reactions" to imported rice.

In the 1993 "minimum access" deal mediated by the General Agreement on Tariffs and Trade (GATT), Japan vowed to import a total of 379,000 tons of rice in fiscal 1995, the equivalent of 4 percent of annual domestic consumption.

The agreement mandates increasing the foreign share to 8 percent by fiscal 2000.

Special Corporation To Secure Basic Research

*OW0609025995 Tokyo NIHON KEIZAI SHINBUN
in Japanese 3 Sep 95 Morning Edition p 3*

[FBIS Translated Text] The government has decided to place emphasis on new basic research projects to be conducted by special corporations. Two ministries and one agency, including the Ministry of International Trade and Industry [MITI], have requested funds for these projects in their budget requests for fiscal 1996. The budget for research projects had been cut back because

tax revenues are basically allocated for operational expenses, including personnel spending, which accounts for the largest portion of the funding needed for basic research. However, under the new system, the government will increase its investment in special corporations because it is possible to make such investments by taking advantage of construction bonds. One feature of the new system, therefore, will lay in the fact that it will be easier to secure financial resources. The government plans to set up a liaison conference soon, and an advisory council consisting of intellectuals to promote coordination so that the budget can be allocated on a priority basis.

Two ministries and one agency — the MITI, the Education Ministry, and the Science and Technology Agency [STA] — have included in their fiscal 1996 budgetary request funds for new research projects to be carried out by such organizations as the Research Development Corporation of Japan under the STA and the New Energy and Industrial Technology Development Organization under the MITI.

Under the new system, special corporations will invite research workers at such research institutes as universities and national research institutes to provide subjects for research projects. In principle, such research projects need not only be commissioned to research workers, but also conducted as joint projects; and patent rights will be shared jointly with research workers. The two ministries and the agency have requested additional funds amounting to approximately 30 billion yen for investment in the special corporations that are expected to join in the projects.

In the budget compilation, such funds — just as is the case for public works funding — are classified as investment expenditure, for which a five percent increase has been confirmed for fiscal 1996. Construction bonds can be used as to raise the money for such spending.

Despite the government's approval of a five percent increase in investment funds for the fiscal 1996 budget, ordinary expenses such as personnel spending are being cut back due to the serious tax revenue situation. In this connection, the Ministry of Finance has decided that, by taking advantage of funds for investment in special corporations, basic researches can be improved through the use of construction bonds.

The Ministry of Posts and Telecommunications and the Ministry of Agriculture, Forestry and Fisheries also plan to study the system. It can be expected, therefore, that requests based on the new system will continue in the future, and a liaison conference in which the MOF will play the major role will be set up to coordinate and avoid duplication of projects among agencies and

ministries. In addition, the government will form an advisory council consisting of intellectuals to listen to their opinion on the priority to which funding should be allocated to the different sectors.

Mitsuzuka Supports Koizumi for LDP Head Race

OW0609064095 Tokyo KYODO in English
0605 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Liberal Democratic Party (LDP) former faction leader Hiroshi Mitsuzuka decided Wednesday [6 September] to allow one of his followers, Junichiro Koizumi, to run for the Sept. 22 LDP presidential election, party sources said.

Former Posts and Telecommunications Minister Koizumi has said he would run in the election if Construction Minister Yoshiro Mori, another former member of the Mitsuzuka faction, does not throw his hat in the ring.

Mori is reportedly reluctant to join the race, in which International Trade and Industry Minister Ryutaro Hashimoto is currently the only candidate after Foreign Minister Yohei Kono gave up his bid in the face of spreading support for Hashimoto.

Koizumi has been arguing that the party head should not be selected without a policy debate among candidates.

Mori said at Narita Airport on returning from a trip abroad that he will decide on whether or not to run in the election by the end of the day, after consulting with senior members of the former Mitsuzuka faction.

Hashimoto, Koizumi Set To Compete for Presidency

OW0609114695 Tokyo KYODO in English
1107 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Construction Minister Yoshiro Mori said Wednesday he will not run in the Sept. 22 Liberal Democratic Party (LDP) presidency race, making it likely that Trade Minister Ryutaro Hashimoto and another LDP member will compete for the post.

Mori made the remarks at a press conference after he met former LDP faction leader Hiroshi Mitsuzuka and other LDP members loyal to Mitsuzuka to give one of his followers, Junichiro Koizumi, the green light to run for the LDP presidency.

A former posts and telecommunications minister, Koizumi has said he would run in the election if Mori does not throw his hat in the ring.

But aides to Mitsuzuka said pro-Mitsuzuka LDP lawmakers as a whole will not support Koizumi in the LDP presidential race.

International trade and industry minister Hashimoto has been the only candidate since foreign minister Yohei Kono gave up his bid for reelection in the face of growing support for Hashimoto.

Arguing that the party head should not be selected without a policy debate among candidates, Koizumi is planning to garner support from at least the 30 LDP members he needs to run.

The LDP presidential election formally starts on Sunday as incumbent LDP president Kono's term expires at the end of this month.

Mitsuzuka Says LDP Seeking To Regain Power

*OW0309232595 Tokyo YOMIURI SHIMBUN
in Japanese 1 Sep 95 Morning Edition p 2*

[FBIS Translated Text] Hiroshi Mitsuzuka, secretary general of the Liberal Democratic Party [LDP], in response to a question at a 31 August meeting of secretary generals of the party's local chapters, stressed: "We would like to emerge victorious in the next general election and establish a one-party rule. It is natural for a political party to try to achieve single-party rule." At the same time, Mitsuzuka indicated that the LDP intends to strengthen ties with a number of religious organizations to respond to the New Frontier Party's [NFP] election strategy. He said: "It is a fact that the NFP's election campaign was conducted mainly by the Soka Gakkai [a religious organization that founded Komeito]."

NFP To Oppose Rewriting Religious Groups Law

*OW0509132495 Tokyo KYODO in English
1115 GMT 5 Sep 95*

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — Japan's main opposition party Shinshinto (New Frontier Party [NFP]) will oppose a government party-proposed revision of the law governing religious groups, Shinshinto officials said Tuesday [5 September].

The development makes it certain that the issue of whether to rewrite the law will develop into a political row between Shinshinto and the Liberal Democratic Party (LDP) as the LDP plans to submit a bill to revise the law at an extraordinary Diet session to be called later this month.

In a related development, a senior LDP official hinted Tuesday at the possibility of the LDP bulldozing the bill through the Diet. The LDP is the largest party in the tripartite coalition government.

"We must be ready to ram it through the Diet depending on the situation," said the official, who asked not to be named.

Shinshinto's opposition to a revision of the law stems from the political clout of Soka Gakkai, a lay Buddhist group which is a key supporter of the party.

Shinshinto officials said the LDP-proposed revision is an attempt to regulate the political activities of Soka Gakkai because Shinshinto's victory in the July 23 House of Councillors election was largely attributed to Soka Gakkai's support for Shinshinto-backed candidates.

Shinshinto is the product of a December 1994 merger of nine opposition parties, including Komeito, which had traditionally been supported by Soka Gakkai.

Speaking at a press conference in the Diet, Shinshinto Secretary General Ichiro Ozawa said it would be unconstitutional to map out a law allowing state interference in religious activities.

"We can't allow the establishment of a system against human rights with a political angle," Ozawa said, referring to the LDP-proposed revision.

The LDP has been proposing a revision to the law so as to prevent a recurrence of a series of crimes believed committed by Aum Shinrikyo, a religious cult.

A fresh nationwide survey by Japan Broadcasting Corp. (NHK) shows that 86 percent of respondents favors such a revision, according to NHK.

Ozawa said it is possible to prevent such crimes by appropriate enforcement of existing laws such as the Criminal Law and the Anti-Subversive Activities Act.

In the wake of a series of criminal cases allegedly involving Aum sect, the Council on Religious Juridical Persons, an advisory panel to the education minister, has been studying whether to revise the law on religious groups.

On Tuesday, the panel held a general meeting to discuss the issue and many panel members agreed on the need to rewrite the law to bring it up to date with the changing circumstances of religious groups.

The panel is scheduled to convene the next general meeting in late September to decide whether to recommend that the law be revised after having hearings with four major religious groups, including Soka Gakkai, on Friday.

Nosaka Noncommittal on Aum Disbandment Order
OW0609113995 Tokyo KYODO in English
0940 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — The question of whether to apply the subversive activities prevention law to the Aum Shinrikyo cult should be decided based on "evidence and law," Chief Cabinet Secretary Koken Nosaka said Wednesday [6 September].

The top government spokesman made the remark at a news conference, apparently taking a noncommittal position in response to a call by the main opposition party Shinshinto (New Frontier Party) for the law to be applied to the religious group.

Aum has been accused of carrying out the Tokyo subway gas attack in March and other clandestine operations and crimes.

The Justice Ministry's Public Security Investigation Agency is carefully considering the matter, Nosaka said.

Under the law, activities of a subversive organization can be totally banned. The law applies to groups found to have engaged in terrorism and deemed likely to repeat such actions.

So far, no group has ever been covered by the law, in part because of criticism that the law could be used by the government to stifle dissent.

Religious Group's Political Clout Questioned
OW0409121595 Tokyo KYODO in English
0959 GMT 4 Sep 95

[FBIS Transcribed Text] Nagoya, Sept. 4 KYODO — Two prominent lawmakers have questioned the growing political clout of Soka Gakkai, a lay Buddhist group and a supporter of the main opposition Shinshinto (New Frontier Party).

Seiroku Kajiyama, former secretary general of the Liberal Democratic Party (LDP), said in a speech Monday [4 September] in Nagoya, central Japan, that it is questionable whether the Japanese public will continue to allow the Buddhist group to get involved in politics.

Avoiding a direct reference to Soka Gakkai, Kajiyama criticized the Buddhist group for using Shinshinto to gain a say in politics.

"They are making exaggerated claims that they can easily (control) elections by putting on a mask named Shinshinto," Kajiyama said, adding he fears the influence of Soka Gakkai's vote-gathering machine in a low turnout election.

Kajiyama was referring to Shinshinto's victory in the House of Councillors election in July, a development attributed to Soka Gakkai's support of Shinshinto-backed candidates.

Shinshinto is the product of a December 1994 merger of nine opposition parties, including Komeito, which had traditionally been supported by Soka Gakkai.

Shinshinto lawmaker Hajime Funada also took issue with Soka Gakkai's political clout and expressed concern that the Buddhist group's influence will increase within Shinshinto.

"There are people in the party who are questioning whether it is dangerous to work with them," Funada said in a recent interview with the monthly CHUO KORON.

The interview, a copy of which was obtained by KYODO NEWS SERVICE on Monday, will appear in the October issue of the magazine.

Funada credited Shinshinto's victory in the July upper house poll to Soka Gakkai's support. The religious group claims a membership of about eight million families in Japan.

It is said more than 6.5 million of the votes Shinshinto received in the election were thanks to Soka Gakkai, Funada said.

"This left us with the question of how to maintain democracy within the party while acknowledging their existence," he said.

Mitsui, PRC Launch Auto Parts Joint Venture
OW0409040495 Tokyo KYODO in English
0343 GMT 4 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 4 KYODO — Japan's Mitsui Business Group has inaugurated a joint venture in China for production of auto parts, Mitsui officials said Monday [4 September].

Mitsui Huayang Automotive Components Co., based in Guizhou Province, is owned 45 percent by Mitsui Mining and Smelting Co., 15 percent by trading Giant Mitsui and Co., and 40 percent by the China Guizhou Aviation Group's Huayang Electrical Factory, the officials said.

Under an agreement, the Japanese and Chinese partners will invest a total \$2.4 million in the venture over the next two years to make door locks and other parts, they said.

Matsushita, PRC Firm Sign Carbon Rods Accord

OW0609134995 Tokyo KYODO in English
1130 GMT 6 Sep 95

[FBIS Transcribed Text] Osaka, Sept. 6 KYODO — Matsushita Electric Industrial Co. and Matsushita Battery Industrial Co. said Wednesday [6 September] they have signed a contract with Anyang Carbon Factory of China to form a joint-venture company for the production of carbon rods in Anyang, Henan Province.

The joint company, Anyang Matsushita Carbon, will produce inexpensive, high-quality carbon rods for manganese dry-cell batteries, starting in January 1997, and will sell them in China and other markets including Russia and eastern Europe, Matsushita said.

Production is targeted at 9,000 tons, or three billion rods, in the first year, rising to 10,000 tons, or 3.5 billion rods, the following year, Matsushita said.

It also said the joint firm will be capitalized at 7 million dollars with Matsushita Electric and Matsushita Battery holding respective stakes of 25 percent and 45 percent. The remaining 30 percent will be contributed by Anyang Carbon, China's biggest carbon rod producer.

Honda Signs Joint Motorcycle Venture With SRV

OW0609132195 Tokyo KYODO in English
1124 GMT 6 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 6 KYODO — Honda Motor Co. on Wednesday [6 September] inked an agreement with a Vietnamese government-run corporation to set up a joint venture to manufacture and market motorcycles in Vietnam.

Under the deal with Vietnam Engine and Agricultural Machinery Corp. (VEAM), the new company, Honda Vietnam Co., will go into operation in January 1996, pending approval from the Hanoi government, Honda said.

Honda and Asian Honda Motor Co., its wholly owned subsidiary in Bangkok, will put up 70 percent of the 31.2 million dollar capital of the new company, while VEAM will put up the remainder, it said.

Production of motorcycles with an engine displacement of some 100 cc will begin by the end of 1997 at a new \$100 million factory to be built in Me Linh, Vinh Phu Province, 32 kilometers northwest of Hanoi, it said.

Sales in Vietnam's motorcycle market, which totaled 335,000 units in 1994, are expected to rise to 350,000 units this year and 500,000 by 2000, it added.

Major Firms To Test Business Through Internet

OW0509134395 Tokyo KYODO in English
0745 GMT 5 Sep 95

[FBIS Transcribed Text] Tokyo, Sept. 5 KYODO — Some major Japanese companies will start experimenting with making business transactions on Internet — the world's largest computer network, company officials said Tuesday [5 September].

Fujitsu Ltd., Nippon Telegraph and Telephone Corp., and Japan Research Institute will establish the "Commercenet Japan" in October, a group consisting of about 50-100 companies from the distribution, financial, and electric machinery industries, the officials said.

The move is prompted by the activities of commercenet consortium, a California-based nonprofit organization made up of about 130 U.S. Companies. The consortium is calling upon businesses throughout the world to participate in digital trading through the Internet, the officials said.

Commercenet Japan will start experimenting with doing business on the Internet and will study safety and standardization methods to pave the way for actual trading, the officials said.

Business arrangements such as making contracts and payments on the computer network will save time and manpower, facilitating transactions between different countries and different industries.

"Digital trading on a global scale is likely to exceed 40 trillion yen by 1999," predicted an official at Fujitsu. "Lower product prices will be made possible as a result of a reduction in costs," he said.

MOC Reports Decline in Housing Starts

OW3108063895 Tokyo KYODO in English
0546 GMT 31 Aug 95

[FBIS Transcribed Text] Tokyo, Aug. 31 KYODO — New housing starts fell for the fifth consecutive month in July, with those of privately ordered houses and of houses for rent registering double-digit drops, the Ministry of Construction [MOC] reported Thursday [31 August].

The ministry said starts on new homes in the reporting month declined 11.2 percent from a year earlier to 129,125.

The tumble followed a 15.7 percent plunge in the previous month, which was the sharpest drop since January 1992.

Construction starts on privately ordered houses fell for the fifth straight month by a sharp 18.2 percent to 50,940, the ministry said.

House construction using private loans increased 28.2 percent, rising for the sixth consecutive month, but that financed by public funds dropped 36.8 percent for the fifth consecutive monthly fall.

Starts on housing for rent declined 12.0 percent to 45,823. It was the 18th straight monthly fall, according to the ministry.

Construction of houses for sale, on the other hand, picked up for the first time in five months to 29,976 units, up 3.6 percent.

In this category, condominiums accounted for 18,112 units, up 6.6 percent.

Housing starts were generally slow in most urban areas. In the Tokyo metropolitan area, construction fell 11.4 percent. But it increased 6.0 percent in the Kinki region, centering on the Osaka-Kobe area, spurred by reconstruction following the January earthquake, the ministry said.

North Korea

Red Cross Inspection Team Arrives 4 Sep

SK0509131195 Pyongyang Korean Central Television Network in Korean 1100 GMT 5 Sep 95

[FBIS Translated Text] The International Red Cross, the Red Crescent Societies, and the organization of Doctors Without Borders have sent their respective delegations to inspect our country's flood damage and assess necessary cooperation. The inspection delegations arrived in Pyongyang by plane on 4 September.

U.S.-South 'Grave Military Confab' Denounced

SK0609044895 Pyongyang Korean Central Broadcasting Network in Korean 1223 GMT 5 Sep 95

[Commentary by Yun Pyong-son: "Warmongers' Grave Military Confab"]

[FBIS Translated Text] According to the reports, the U.S. defense secretary and the puppet defense minister held a grave military confab against us in Hawaii on 2 September. While talking about the North's military threat or a possibility of its change on this occasion, they reportedly decided to try to establish a so-called medium- and long-range dialogue to prepare against such a threat or possibility and discuss ways to develop the military alliance between the United States and South Korea. They also reportedly decided to make a final decision on this issue at an annual U.S.-South

Korea Security Consultative Meeting early November in Seoul.

This confab of the two brass hats is a deliberate maneuver to reverse the situation on the Korean peninsula, which has been developing favorably, and bring it to a tense phase. As everyone knows, the situation on the Korean peninsula has been moving toward detente thanks to our patient and sincere efforts. The DPRK-U.S. framework agreement has been implemented smoothly. And, our nation's spirit toward peaceful reunification has grown highly since the grand 15 August national reunification festival. Our peace-loving aspirations and efforts can be fully proven by the mere fact that we proposed replacing the Armistice Agreement, a legacy of the confrontational era, with a peace agreement and building a new peace mechanism and have been making efforts to implement the proposal.

Only those who have a vicious intention to harm someone else can talk about a military threat or the like. Those who see reality with sound reason admit that on the Korean peninsula, a military threat comes from the South, not from the North.

As a matter of fact, a military threat designed to inflict catastrophes of a nuclear war on the nation exists. Today, South Korea has turned into a forward nuclear base filled with nuclear weapons and other latest war materials and massive troops, the biggest in the Far East, and a dangerous powder magazine that may explode if touched. And, war exercises for northward aggression are staged almost daily. The U.S. imperialists and the South Korean puppets mobilized massive aggression forces and staged the Ulchi Focus Lens-95 war exercise, in place of the Team Spirit nuclear war exercise, for over 10 days. They gravely threatened us in the course of it.

Just like a thief pouncing upon the victim with a club, even while sharpening their swords for aggression, they find fault with someone else. This truly is a brigandish logic.

Someone else's military threat which the U.S. imperialists and the South Korean puppets are raving about is an utter lie and mere sophism designed to justify their maneuvers for a war of northward aggression.

Those rascals' agreement to establish a medium- and long-range security dialogue at the confab is an open challenge to us and again clearly shows what they pursue is a war of northward aggression.

Even though the U.S. imperialists and the puppets are talking about easing tension or promoting peace, their aggressive nature has not changed. They are trying to fulfill their aggressive ambition by accelerating preparations for war by all means.

The fact that the military brass hats raved about the possibility of someone else's change is preposterous. Our socialism in which single-hearted unity is achieved gains strength and wins victory after war as time goes by. Our-own-style socialism which our people have chosen according to their belief and built on their own strength displays greater superiority and vitality, and people of the world are amazed at the solidity and invincibility of our-own-style socialism.

Nevertheless, they enumerated gibberish about the possibility of a change or the like. This truly is a stupid comment by crazy people.

Coveting our Republic and trying to gain something is a foolish act. Through this military confab, the South Korean puppets again clearly disclosed their dirty colors as dirty nation-sellers and war servants who confront their fellow countrymen in collusion with the aggression forces and try to save the remainder of their life by clinging to outside forces' sleeves.

The U.S. imperialist warmongers and the South Korean puppets are again maneuvering to aggravate tension and ignite a fuse to a war in defiance of the entire nation's aspirations for peace in the country and its peaceful reunification. This will never be forgiven. If the United States and the South Korean puppets embark on a dangerous road toward military adventures despite our repeated warnings, they will be held fully responsible for all consequences that may arise from it. The rascals must squarely see reality and act with discretion.

KCNA Reviews 'Grave Military Provocations'

*SK0209050295 Pyongyang KCNA in English
0415 GMT 2 Sep 95*

["Grave Military Provocations" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — The South Korean puppets committed grave military provocations against the North in the Demilitarized Zone (DMZ) in the central sector of the front on Thursday [31 August], military sources said.

The puppets illegally brought 90-mm recoilless guns and 12.7-mm machine guns into the DMZ south of the Military Demarcation Line, installed them in broad daylight and levelled them at People's Army soldiers for a long time.

They also drove more than ten military vehicles loaded with puppet armed soldiers and means of war into the DMZ south of the Military Demarcation Line.

South Commits 'Military Provocations' 1 Sep

*SK0409052695 Pyongyang KCNA in English
0450 GMT 4 Sep 95*

["Military Provocations of S. Korean Puppets" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 4 (KCNA) — The South Korean puppets on September 1 committed military provocations against the North by bringing heavy weapons and troops into the central and eastern sectors of the front, according to military sources.

They deployed a 90 mm recoilless gun and a 12.7 mm machine gun at an MP post in the Demilitarized Zone South of the central sector of the front and took a firing posture toward a civil police post in the North for hours, threatening civil policemen's lives. They also brought 20 odd military vehicles carrying heavily-armed puppet army troops and lethal weapons into the area.

On the same day, puppet army soldiers found themselves in the Demilitarized Zone in the eastern sector of the front with machine guns and automatic rifles to foster the atmosphere of confrontation.

'Great Damage' Occurs in 'Unprecedented Flood'

*SK0609102395 Pyongyang KCNA in English
1011 GMT 6 Sep 95*

["Flood Damage in Korea" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — Korea has recently suffered great damage from unprecedented flood.

In September last year, 170,000 hectares of cultivated land sustained a hail disaster, which entailed the loss of 1,020,000 tons of grain in South and North Hwanghae Provinces, the nation's major grain producers.

The heaviest rain in 100 years that poured from July 31 to August 18 this year inflicted big losses on many areas.

In this period, the daily precipitation was 583 mm. In some areas, the precipitation was six hundred mm in a few hours. As a result, the water level of some rivers rose to seven metres far above the danger line. Under explosive pressure, banks, reservoirs, dams and canals gave way, extremely endangering many people and causing heavy losses of property.

The great leader Comrade Kim Chong-il instantly issued orders to units of the three services of the Korean People's Army [KPA] and took emergency measures to save the people in the afflicted areas.

Under the direct guidance of their supreme commander, soldiers of the People's Army mobilized helicopters, amphibian tanks and high-speed transport boats to evacuate people in Sinuiju and other areas to safety at the risk of their lives.

Although a torrential rain and flood in Sinuiju threatened the lives of many people, no casualty was reported thanks to the self-sacrificing rescue operation of KPA soldiers.

However, rainstorms repeatedly attacked these areas and flood rapidly spread to other areas. Some casualties were reported in the afflicted areas in the wake of flood damage in Sinuiju. According to the latest survey, 68 people among mountain villagers and rescuers were reported dead and some others missing or injured. Despite flood warnings, rainstorms, landslides and broken reservoirs cost human lives.

Many dwelling houses, household furnishings, schools, nurseries, hospitals and other public establishments, roads, railways, bridges, dams, dikes, communications, power and water supply facilities, coal and ore mines, factories and other production and infrastructure facilities, farmlands, forests and many parts of the territory were inundated, carried away and destroyed completely or partially by the floods.

More than 5.2 million people in 145 counties of twelve provinces and municipalities have suffered from the floods.

An initial estimate shows that the damage amounts to about 15 billion dollars.

Emergency relief and support are badly needed to supply food to the sufferers, promote their health and quickly stabilize and maintain their life.

The DPRK Government has taken relevant measures and, for the purpose of assistance, several international bodies and organizations and some countries have dispatched fact-finding groups to survey the damage.

Such fact-finding groups have come from Switzerland, the United Nations Department of Humanitarian Affairs, the World Health Organization, the United Nations Food and Agriculture Organization, the World Food Programme, the United Nations Children's Fund, the League of Red Cross and Red Crescent Societies, Caritas (Social Service Agency) and other countries and international organizations.

They toured flood-afflicted areas in North Phyongan and other provinces and expressed sympathy. They pledged to inform their governments and international organizations of the situation and make efforts for assistance on a proper level.

North To Buy Rice With Cars Sales' Profits

*OW0609084395 Tokyo SANKEI SHIMBUN
in Japanese 4 Sep 95 Evening Edition p 1*

[By the reporting team on North Korean affairs]

[FBIS Translated Text] It was learned on 4 September that North Korea plans to buy used cars from Japan to resell to China, and use the profits derived therefrom to pay for its rice procurement.

A trading firm in Tokyo has been asked by North Korea to purchase used cars, and two years ago, North Korea also bought used cars to resell to the PRC through this trading firm, after which it used the profits to purchase rice. It is believed that North Korea, plagued by a food shortage, is again attempting to procure food by dealing in used cars.

According to a source in this trading firm, which exports used cars to Russia and other countries, North Korea made inquiries about buying used cars in July and August. It is believed that the DPRK proposed the quick procurement of at least 10,000 vehicles. North Korea allegedly sent a message saying it would "make advance payments in cash."

North Korea bought used cars from the same company two years ago. A total of 10,000 vehicles were exported from Japan to Chongjin, North Korea, from April to September 1993. Advanced payment was made in cash through a DPRK-affiliated company in Macao.

Taking advantage of the ban in the PRC on the import of used cars from Japan, at that time, North Korea sold the cars it imported to China at around 10 times the original price by smuggling them across the PRC-DPRK border. Most of the profits were used to buy rice from Vietnam.

The trading firm approached for the used car business says that "North Korea will probably procure rice again from Vietnam and other Southeast Asian countries."

Report on Interview by Reverend An Sung-un

*SK0609151895 Pyongyang KCNA in English
1510 GMT 6 Sep 95*

["Rev. An Sung-un, Defector From South, Interviewed" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — Rev. An Sung-un of the Evangelical Church of Youi Islet, Seoul, South Korea, who has come over to the northern half of Korea was interviewed here today.

He said that he, once engaged in missionary work in China, has come to the North to rid himself of the

crooked tentacles of the "Agency for National Security Planning" [ANSP] which forced him to intelligence and find a new way of pastoral duty.

The "ANSP" agents in China are trying to bribe Korean residents and many others as spies, engaged in intelligence on China and the North, committing inducement and abduction without hesitation, he noted.

Denouncing the "ANSP" for trying to draw even noble pastors into a disgraceful road, An said he came over to the North after reaching a conclusion that though he died, he cannot stop missionary work nor conspire with bandits of Satan for his life.

He mentioned the reason of his defection as follows:

My family and relatives have harshly been persecuted by the South Korean authorities for the reason that my second elder brother and elder cousin brother volunteered the People's Army during the fatherland liberation war and another elder cousin brother, An Sung-sul, came over to the North while conducting the reunification movement in South Korea.

Due to the so-called "An Sung-sul spy case", my family and relatives were made political victims of the South Korean authorities and my elder cousin brother An Sung-yeon was sentenced to life imprisonment in place of his elder brother and has been kept at the Taegu Prison for 11 years, and his family members are living a poor life without jobs.

That is why I have long been dissatisfied with the South Korean authorities and the "ANSP", made up my mind to live with my elder brothers in the North where they are and also firmly believed that I can live in the North.

He exposed the tasks the "ANSP" gives to secret agents abroad and those who work for the "ANSP" under the pretext of missionary activities in China. He said that he has deeply realised that as long as there is the "ANSP", national reconciliation, unity and reunification cannot be achieved and relations with neighbouring countries cannot develop on good terms.

Giving his impressions of Pyongyang, he said that what impressed him most is that the church activities are fully guaranteed by law.

When he participated in weekly services at Pongsu and Chilgol churches, he has come to know that in the North the freedom of religion is guaranteed and clergymen and believers are believing in heaven with pure faith, he said.

He stated that he has realised here in the North that everything is devoted to the people under the benevolent politics of the republic and it is a society of people's wellbeing which serves them.

God who has brought great love and benevolence to the people in the North is President Kim Il-song and General Kim Chong-il, he said, and added: I am moved by the efforts they made to build a welfare society for the people.

"I am convinced with high pride that my coming over to the North is all right and I am proudly optimistic of my future," he said. "Some people in the South are slandering my defection to the North. I ask them to make no more noise because I have come to the North according to the will of heaven."

He said that he would do his best to preach the gospel of love and reconciliation and reunify the country in the North, a society of people's wellbeing.

Government 'Hiding' Death of Third South Crewman

*OW0609045295 Tokyo SANKEI SHIMBUN
in Japanese 4 Sep 95 Evening Edition p 2*

[FBIS Translated Text] On 4 April, a source familiar with Japan-North Korea relations revealed that North Korea is hiding the fact that another man died in the incident of a South Korean fishing boat having been fired on and seized by a North Korean (DPRK) security vessel in late May. The source said he thinks North Korea is delaying the seized boat's return in hope of extracting aid on flood disasters from South Korea and other countries.

According to the source, North Korea has announced that two of the eight-member crew of the Usong-ho No. 16 died instantly in the shooting at the time of seizure, but it has left unrevealed the fact that another man, who was heavily wounded, died shortly after.

North Korea sustained damages from heavy rainfalls that swept across the Korean peninsula in August. This, on top of the problem of a food shortage caused by bad harvests in the past several years, is said to have made the lives of its people extremely hard. The country has received emergency humanitarian aid of rice from Japan, and more recently has requested more aid from Japan and Germany through the United Nations.

Given such a situation, an analysis of the source is that North Korea is "intentionally delaying the return of the fishing boat and the release of its crew" with the intent of creating a mood favorable for aid to North Korea not only in South Korea but also in other countries.

Private Relief Organization Head Caritas Departs

*SK0609050995 Pyongyang KCNA in English
0428 GMT 6 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — Kathi Zellweger, director of International Cooperation of Caritas, a social service agency, left here on Tuesday by air after visiting Korea from Aug. 29 to survey flood damages and discuss cooperation.

During the stay he [pronoun as received] inspected flood-hit areas of North Pyongan and North Hwanghae Provinces and discussed with a relevant organ of the DPRK on assistance to flood sufferers.

Daily Denounces 'Confrontation' by South

*SK0609055895 Pyongyang KCNA in English
0500 GMT 6 Sep 95*

["Confrontation With Fellow Countrymen Leads to Self-Destruction" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — The puppet defense minister of South Korea called for "development of the military alliance" and "dialogue on security" between the United States and South Korea, clamouring about the North's "military threat", when he met with the U.S. defense secretary on Sept. 2.

This is an open challenge to the DPRK, MINJU CHOSON says in a commentary today.

The news analyst goes on:

The military threat and danger of war on the Korean peninsula are not coming from the North but from the South.

It is a well-known fact that the Kim Yong-sam group have staged war games including "Ulchi Focus Lens" joint military exercises, together with the United States, almost every day. The puppets are ceaselessly committing grave military provocations against the North in areas near the Military Demarcation Line and in the demilitarized zone.

Such war servants are persistently advertising about "military threat" by the North, but nobody will lend an ear to it.

Their argument about "development of military alliance" and "dialogue on security" is nothing but a scheme to incite confrontation between the North and the South and gratify their wild design for invasion of the North with the help of outside forces' "strength".

What cannot be overlooked is that he prattled about "possibility of change" in the North.

It is a balderdash of those bereft of reason to talk about "possibility of change" in disregard of the fact that the DPRK has become an object of envy of the world's progressives.

The Kim Yong-sam group must not act rashly, drawing a lesson from the doom of the predecessors engaged in treachery.

Dialogue Denounces Women's Situation in South

*SK0609081795 Pyongyang Korean Central
Broadcasting Network in Korean 0854 GMT 5 Sep 95*

[Dialogue between station reporters Kim Hye-kyong and Kim Kwang-chol: "A Sneaky Act To Change Into an Advocate of Human Rights"]

[FBIS Translated Text] [Kim Hye-kyong] How are you?

[Kim Kwang-chol] How are you?

[Kim Hye-kyong] Recently the South Korean puppets cowardly schemed to portray themselves as protecting human rights and guaranteeing the human rights of South Korean women. This can be well proven by the fact that the traitor Kim Yong-sam has sent his wife to the World Conference on Women now being held in Beijing, putting on her a horsehair cap of so-called honorary chief delegate.

[Kim Kwang-chol] That is correct.

[Kim Hye-kyong] What is more ridiculous is that in a so-called keynote speech at the conference, the puppet traitor's wife said South Korea's policy toward women has changed.

[Kim Kwang-chol] Indeed, this is a farce that can be played only by Kim Yong-sam and his wife. The Kim Yong-sam ring is not qualified to talk about human rights. South Korea has become a zone where human rights are infringed upon, and the Kim Yong-sam ring is precisely the ringleader. In particular, the human rights of South Korean women are in a serious situation. South Korean women are suffering from a lack of political rights and economic difficulties. They are also suffering as sex slaves for South Korean power holders and foreign sensualists.

[Kim Hye-kyong] That is correct.

[Kim Kwang-chol] The human rights of South Korean women are being infringed upon institutionally by so-called law and policies.

[Kim Hye-kyong] You are right. According to reports, there are more than 10 laws that institutionally infringe upon the human rights of women in South Korea. South Korean women have not been able to freely participate

in political activities because of social, political, and home constraints, nor do they enjoy primary democratic freedoms and rights, including freedom of speech, freedom of publication, freedom of assembly, and freedom of association.

[Kim Kwang-chol] I agree. South Korean women have no rights politically. They have undergone strict discrimination in their working life. Numerous South Korean women are jobless despite their having a labor capability. Even those who have jobs have to worry about unexpected dismissal. They have been forced to work for more than 14 hours a day on average under the worst working conditions. Sometimes, they are forced to work for 19 to 20 hours a day. Nevertheless, their wages are only half that of male workers who do the same kind of work, and only one sixth of the minimum cost of living.

South Korean women have to undergo all sorts of humiliation in order to simply run their houses and maintain their lives. There are women who lead life as mermaids in an aquarium in order to make a penny. There are also women who are utilized the entire day as samples in commercial advertisements. These are well-known facts.

[Kim Hye-kyong] That is correct. How brutally the human rights of women are infringed upon in South Korea is clearly revealed by the fact that women are utilized as commodities. Since the law on the Korean International Tourism Corporation was enacted in 1962 in South Korea, Kisaeng tours [sex tours] have become a so-called state policy, and unlicensed prostitution has become more rampant. As a result, numerous women have been driven into white slave markets. The number of women in the underworld in South Korea totalled over 960,000 in the late 1980's and increased to two million in the early 1990's. This vividly shows many women live on the streets as prostitutes in South Korea.

[Kim Kwang-chol] That is correct. In particular, South Korean women have suffered untold national contempt and insult from U.S. imperialist aggression rascals and other foreign sensualists.

A few years ago, Yankees from the U.S. 25th Division, who were then mobilized in a Team Spirit joint military exercise, forcibly took a pregnant primary school teacher in Chaewon, North Chungchong Province, to a nearby mountain, raped her in turn, then mercilessly murdered her.

At the U.S. Air Force base in Osan, Kyonggi Province, a U.S. soldier took a Korean woman to his barracks and raped her. These facts, including the murder of Yun Kum-hui, are but mere examples. These atrocities against South Korean women by the U.S. imperialist ag-

gression forces continues even today, and have become more brutal with each passing day.

This is because the Kim Yong-sam ring has handed South Korea over to the U.S. imperialist aggression forces as a sphere for their atrocities, and because it has protected and patronized the rascals' criminal acts.

[Kim Hye-Kyong] You are right. As a result of the Kim Yong-sam ring's policy of obliterating the human rights of women, in the basement of the Agency for National Security Planning in Namsan there are numerous South Korean women who are being tortured for the so-called crime of having called for independence, democracy, and reunification; they are even suffering sexual torture.

The fact that despite such a situation in the human rights of women in South Korea, the traitor Kim Yong-sam sent his wife and other rabble to the World Women's Conference and led them to make public the so-called South Korean policy on women, which is an intolerable challenge and insult to the South Korean women and the women of the world who respect human rights.

South Korea's so-called policy on women is synonymous with a policy of obliterating the human rights of women. The Kim Yong-sam ring cannot distort the human rights situation of South Korean women.

[Kim Kwang-chol] That is correct. The traitor Kim Yong-sam should renounce the honeyed words that are not acceptable to anyone at the World Women's Conference, and should atone for the crime of having brutally infringed upon the human rights of South Korean women. At the same time, the miserable situation facing South Korean women today should be revealed to the world.

If the Kim Yong-sam ring attempts to cover up its acts of trampling underfoot the human rights of South Korean women and refuses to change itself into human rights advocate, it will not be able to escape greater condemnation and rejection from the world's people.

[Kim Hye-kyong] That is correct. Thank you.

South Korean Youth Dissident Interviewed

*SK0609053195 Pyongyang KCNA in English
0419 GMT 6 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — Cho Yong-sam, a member of the association of supporters for the family movement for realising democracy in South Korea, met with reporters here Tuesday.

He told reporters that his visit to Pyongyang was aimed at meeting Yi In-mo, an incarnation of faith and

will, and taking part in the grand national reunification festival celebrating the 50th anniversary of the country's liberation.

"When Comrade Yi In-mo was in South Korea, I respected him as my teacher," he said. "I was placed under arrest by the 'Agency for National Security Planning' after I brought him to Seoul when the North-South high-level talks were under way in 1992. I came here to see him during the August 15 grand festival."

Referring to the national reunification issue, he said the wire entanglements keeping the Korean peninsula divided for 50 years should be removed, the concrete wall, a symbol of permanent division, be demolished and the "National Security Law", an anti-national, anti-reunification law, be scrapped.

"We must reunify the country without fail, encouraged by the ardent desire for reunification which was expressed at the festival," he stressed.

In response to answers raised by reporters, he said he could feel through the ceremony of the start of the march on Mt. Paektu and other events that all the people in the North, men and women, old and young, were eagerly hoping for reunification.

"In the North," he noted, "the state puts the masses of the people in the centre of all the policies."

He further said: "We have nothing to expect from the Kim Yong-sam regime. The country should be reunified through confederacy in line with the three principles of independence, peaceful reunification and great national unity. For the reunification of the country, I am ready to do my best anywhere in the North, the South and abroad."

Punishment Sought for Kwangju Incident

*SK0609100495 Pyongyang KCNA in English
0958 GMT 6 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — Overseas Koreans including Korean residents in the United States on September 4 conducted a signature campaign demanding enactment of a special law for punishment of those responsible for the massacre of Kwangju popular uprisers in 1980, according to a report from Washington.

The Federation of the Movement of Overseas South Korean Youth and other organizations declared that the campaign is aimed at urging the South Korean authorities to probe the truth behind the Kwangju incident and punish those responsible for the merciless murder of Kwangju citizens.

Daily Criticizes South Student Leader's Arrest

*SK0109112395 Pyongyang KCNA in English
1030 GMT 1 Sep 95*

["Repression Going Against Trend of Times" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — MINJU CHOSON in a signed commentary today raps the Kim Yong-sam group for having arrested the former chairman of the General Student Council of Inchon University on the charge of violating the "National Security Law" for the reason that he studied and disseminated the chuche idea.

The Kim Yong-sam group is wielding a sword of repression against those students who follow the chuche idea. This is a revelation of his criminal scheme to stop the minds of people from turning towards the northern half of Korea and foster antagonism and confrontation within the nation to stamp out the people's pro-communist and pro-North reunification movement that is gaining momentum day by day, the commentary says, and stresses:

It is an irresistible trend of times that people are following the chuche idea to shape the destiny of their nation in the idea. Progressive idea cannot be bound by iron chains.

Commentary Denounces Arrest of South Student

*SK0209050695 Pyongyang KCNA in English
0432 GMT 2 Sep 95*

["Harsh Suppression" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — The Kim Yong-sam group a few days ago arrested Chong Song-ku, former chairman of the General Student Council of Inchon University, by invoking the notorious "National Security Law" for the reason that he read the book "Philosophical Principle of the Chuche Idea".

It is natural and good, but never can it be a target of repression, that the students, sensitive to new things and strong in progressive spirit, have studied the immortal chuche idea in keeping with the trend of times and popular sentiments, says NODONG SINMUN in a signed commentary today.

The Kim Yong-sam group, paying lip service to 'civilian' and 'liberal democracy' at every opportunity, ruthlessly violates the freedom of choosing ideology and reading books, the commentary says, and goes on:

"Is it not shameful to cry for 'liberal democracy' while trampling down the freedom of ideology and the freedom of reading books?"

"The Kim Yong-sam fascist clique must clearly know that ideology cannot be bound by iron chains."

"No matter how wildly the fascist clique wields bayonets, it cannot dampen the will of patriotic students who follow the chuche idea to bring a new morning of independence, democracy and reunification in that idea".

Daily Denounces Kim Yong-sam's Remarks

SK0109141795 Pyongyang Korean Central Broadcasting Network in Korean 0855 GMT 1 Sep 95

[NODONG SINMUN 1 September commentary: "Absurd Remarks Ridiculing Democracy and Reunification"]

[FBIS Translated Text] The traitor Kim Yong-sam appeared at a dedication ceremony of the puppet supreme public prosecutor's office building a few days ago and delivered a so-called address there. The puppet traitor's address was full of self-contradiction and inconsistency, and it is not worth consideration.

First, let us examine the puppet traitor's remarks that constitutionalism is fundamental to democracy and that constitutionalism must be deep rooted for reunification. What he meant by constitutionalism is to enact the law and practice politics based on the law. However, South Korea has only antireunification, fascist, and evil laws, such as the National Security Law.

Therefore, the puppet's gibberish that constitutionalism must be deeply rooted for democracy and reunification means that antinational, antidemocratic, antireunification, and fascist evil laws should be fixed as an almighty panacea and that democratization and reunification can be realized by invoking the laws. What a reverse logic it is!

As has been exposed broadly, the South Korean National Security Law is the most vicious, antireunification evil law that regards fellow countrymen as enemies and blocks the national unity and reunification, as well as antidemocratic and fascist evil law that infringes upon even basic human rights and oppresses democracy.

Accordingly, these antireunification and fascist evil laws must be abolished to realize democracy in South Korea and achieve reunification. Even a mere child understands it.

Nevertheless, far from expressing willingness to abolish the antireunification evil laws, the traitor Kim Yong-sam blared that they must be deep rooted. This is a reckless remark that can be made only by an antireunification divisionist, as well as an intolerable derision of and disgrace to the compatriots who are struggling for democracy and reunification.

Judging from the fact that he is calling for the fixing of the antireunification and fascist evil laws, without being aware of the quite simple logic that democracy and reunification can be realized only when the antireunification and fascist evil laws are abolished, Kim Yong-sam must be a thoroughly ignorant man or a man born with the traits of an antinational and antireunification element.

It is as clear as fire that the puppet traitor mentioned the wicked doctrine of constitutional settlement in a criminal attempt to change the current fascist evil laws for the worse and to viciously block the democratization of the South Korean society and the fatherland's reunification by invoking them.

The reality of South Korea, where various antireunification and fascist evil laws, including the notorious National Security Law, prevail, is really pitiful. Righteous youths, students, and people who are demanding independence, democracy, reunification, are relentlessly put in fetters; democracy and human rights are mercilessly infringed upon; and even workers who demand the right to live are stabbed at, being accused of accommodating communism and serving the interest of the enemy.

A South Korean publication reads: Constitutionalism is merely for decoration and is trash. Various kinds of torture, such as water torture, electric torture, and sex torture, are all given under the pretext of constitutionalism.

Under the deceptive veil of constitutionalism, the traitor Kim Yong-sam has turned South Korea into a ground ridden by fascism worse than that in the period of previous military dictatorship by revising for the worse the fascist evil laws, including the National Security Law, which should have been abolished along with the end of the military dictatorial regimes of the Fifth and Sixth Republics. His crime is indelible forever and must be counted.

That day, Kim Yong-sam also said that the firm defense of the liberal democratic system will be an important basis for reunification. This is a virtual declaration of confrontation against us and is nothing but an expression of his criminal ambition to reunify the country by invading the North with the help of outside forces.

The traitor Kim Yong-sam must immediately stop antinational, antidemocratic, and antireunification criminal acts that run counter to the national aspiration for reunification, in which he is engaged while mentioning constitutional settlement and the like, and abolish without delay the fascist evil laws that blocks the road to democracy and reunification.

If the puppet traitor continues to try to seek ways to survive by relying on such a fascist evil law as the National Security Law, he will not avoid being put into the refuse heap of history.

Abolishing NSL, NSP Vital to Reunification

SK0309091095 *Pyongyang KCNA in English*
0821 GMT 3 Sep 95

["Key to Reunification Through Confederacy" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — NODONG SINMUN today says in a signed article that the "National Security Law" [NSL] and the "Agency for National Security Planning" [NSP] of South Korea, stumbling blocks in the way of national reunification, must be abolished and dissolved to achieve the reunification of the country by means of confederacy.

The "National Security Law" is an anti-national, anti-democratic and anti-reunification fascist law which stipulates the northern half of Korea as an "anti-state organization" and compatriots in the North as "members of anti-state organization", incriminates the South Korean people who call for contacts and dialogue with the North and reunification and ruthlessly suppresses them on charges of "pro-communist elements benefiting the enemy".

The "Agency for National Security Planning" is a centre of anti-communist moves and fascist suppression and a base of anti-reunification, confrontation and plots.

The righteous students and people who call for contacts and dialogue with the North, national unity and reunification are put behind the bars by the notorious "National Security Law", says the article.

The article recalls that different countries demanded the abolition of the "National Security Law" and even high-rank officials in the United States repeatedly confirmed official position of the U.S. administration that the law should be abolished in South Korea, and demanded its abrogation.

The article notes that to abolish the "National Security Law" and dissolve the "Agency for National Security Planning" in South Korea is the main key to reunification by means of confederacy.

Kim Yong-sam's Ties With Ex-Presidents Viewed

SK0109120295 *Pyongyang Korean Central Broadcasting Network in Korean*
1224 GMT 31 Aug 95

[NODONG SINMUN 31 August: "An Open Political Collusion"]

[FBIS Translated Text] There is a saying that goes birds of a feather flock together. This means that those of similar nature and in similar situations get together, do each other favors, and defend each other. This saying befits the Kim Yong-sam ring, which has openly been flirting with the military dictators of the Fifth and Sixth Republics and seeking political collusion.

A few days ago, Kim Yun-hwan, chairman of the Democratic Liberal Party [DLP], called at the houses of the traitors Chon Tu-hwan and No Tae-u and begged them to cooperate in achieving unity in the ruling camp.

Kim Yun-hwan is a top dirty cohort of the military dictatorships who stayed close to the fascist power circles and played a leading role in maintaining the dictatorships from the Yusin dictatorship until the Fifth and Sixth Republics. A man of this background, Kim Yun-hwan, visited his bosses, who placed him in the seats of power and patronized him, because he missed them. It is not strange.

However, the problem is that this fellow's nonsensical act was premeditated according to traitor Kim Yong-sam's scenario and instruction. Traitor Kim Yong-sam must have given Kim Yun-hwan a detailed instruction to visit the dictators of the Fifth and Sixth Republics, politely bow to them, and ask them to cooperate in maintaining the fascist system.

For this purpose, the traitor recently reshuffled the DLP and placed Kim Yun-hwan, an old servant of the military dictatorships of the Fifth and Sixth Republics, in the seat of its chairman.

When taking power under the cloak of a civilian regime, the puppet traitor loudly raved about a separation from the military dictators or a liquidation of the past. However, after he took power, he talked about courteous treatment of the former presidents; openly defended traitors Chon Tu-hwan and No Tae-u; and even brought them to Chongwadae [presidential offices], gave a hospital reception to them, and conspired to form a collusion. This is a well-known fact.

In defiance to the people's strong demand that the Kwangju murderers and the major conspirators of the Samchong incident be immediately brought to justice before the bar of history and punished, he even openly

nullified the unparalleled grave crimes committed by the military dictators.

The Kim Yong-sam ring let Kim Yun-hwan, who has close personal connections with the military dictators of the Fifth and Sixth Republics, play a principal role in getting their cooperation. In this way, they are seeking a criminal attempt to tighten the political collusion with the military dictators Chon Tu-hwan and No Tae-u.

As facts clearly show, the Kim Yong-sam ring wants to prop up their crumbling regime and win the election of its cohorts in parliamentary elections to be held next year by continuing the fascist rule in league with the military dictators.

The Kim Yong-sam ring is trying to get something by colluding with those of the Fifth and Sixth Republics, who are mere living political corpses who have been discarded by the people. This is a truly foolish attempt.

The Kim Yong-sam group is trying to kiss the Chon Tu-hwan-No Tae-u ring, which has already been dumped into the rubbish heap of history for their crimes against the country and the nation, crimes that can never be forgiven. This clearly shows that it has no future.

The South Korean puppets have already lumped the Kim Yong-sam ring with the military dictators of the Fifth and Sixth Republics, called them traitors, fascist tyrants, and human trash, and stood up to overthrow them. The only place the Kim Yong-sam ring should go for betraying the people and committing innumerable crimes is to the grave of history.

Kim Yong-sam Welcomes Japan's Apology

*SK0309091195 Pyongyang KCNA in English
0824 GMT 3 Sep 95*

["Nonsensical Behaviour of Flunkeyist Traitor" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — The puppet traitor Kim Yong-sam recently expressed "welcome" to the so-called "letter of apology" sent by a person in Japanese authority. NODONG SINMUN in a signed commentary today denounces his nonsensical behaviour as the clumsy pro-Japanese servitude of a flunkeyist traitor and an unpardonable anti-national crime going against the will of the nation.

The commentary says:

"The 'letter of apology' invited protest and denunciation from the South Korean people, because it avoids apology and makes no mention of reparation and compensation. However, the traitor supported and hailed it warmly." "How can it be pardoned?"

"It is an indelible arch crime that the Kim Yong-sam group continues to cover up the Japanese imperialists' crime-woven past history and usher in the Japanese reactionaries sharpening the sword of reinvasion, in a bid to do harm to the fellow countrymen and pour cold water over the ardent desire of the nation for reunification. This is an indelible crime."

"The Korean people will never pardon the Kim Yong-sam group who is keeping the pitiful life of a colonial stooge in reward of flattering and yielding to the two masters, the United States and Japan, clinging to their sleeves."

Hanchongnyon Delegates at School Year Ceremonies

*SK0209050895 Pyongyang KCNA in English
0423 GMT 2 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — South Korean students Chong Min-chu and Yi Hye-chong, delegates of the South Korean Federation of General Student Councils (Hanchongnyon) under the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon), took part in an opening ceremony of the school year at Pyongyang Nungna Primary School on September 1, the opening day of a new school year in Korea.

They were accompanied by Choe Chong-nam, director of the joint secretariat of Pomchonghangnyon.

The delegates visited the first class of new pupils under the the eleven-year compulsory education, a rhythmic gymnastic room and a room of nature study.

At the music room, they shared the warm feelings of kinship and minds of reunification, singing "Our Wish Is Reunification" and other songs with pupils.

After the visit, Chong Min-chu told school children that sisters and brothers would fight hard for reunification and that school children should study hard, cultivate the mind of loving the country and grow up to be reliable workers to make the country prosperous.

Yi Hye-chong asked the pupils to study hard, longing for the day when the country will be reunified and they will gambol with children in the South to their heart's content.

Groups Urge Punishment for Kwangju 'Murderers'

*SK0309083095 Pyongyang KCNA in English
0805 GMT 3 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — Religious circles of South Korea are

reportedly conducting a brisk national signature campaign for the punishment of the principal culprits of the Kwangju bloodbath.

The great Kwangju parish of Roman Catholicism sent other parishes in South Korea copies of signature paper demanding a special law be enacted for a probe into the May 18 incident and punishment of those responsible for the massacre. Consequently, more than 1,400 cathedrals throughout South Korea including 80 in Kwangju and South Cholla Province launched a signature campaign simultaneously.

The Catholic committee for justice and peace declared that Catholics will take the lead in the campaign for enactment of a special law. "Punishment of the murderers of the May 18 incident and correct establishment of history are what the people demand," it said.

Buddhist and Christian organisations are also making a brisk signature campaign for punishment of those responsible for the May 18 bloodshed.

Officials, Students Meet Visiting South Students

SK0309085195 *Pyongyang KCNA in English*
0816 GMT 3 Sep 95

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — Officials of the student committee and students of Kim Hyong-chik University of Education in the northern half of Korea, met here with South Korean students Chong Min-chu and Yi Hye-chong, delegates of the South Korean Federation of General Student Councils (Hanchongnyon) under the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification (Pomchonghangnyon).

The delegates were accompanied by Choe Chong-nam, director of the Joint Secretariat of Pomchonghangnyon.

The students of Kim Hyong-chik University of Education told about the powerful activities of the university student committee, particularly, solidarity activities for positively supporting the struggle of youth and students in the South and overseas for national reunification.

The participants hardened their will for national reunification, singing songs including "Spring of Native Village" and "Arirang" and reciting poems.

The students gave the delegates souvenirs in token of their meeting and the delegates put in writing as follows:

Let us all vigorously struggle in each position with a firm determination till the day when one million fellow students in the South and friends in the North will be united as one.

Let us all advance hand-in-hand for reunification of our country like waves.

VNS Cited on Literature Revering Kim Il-song

SK0509103395 *Pyongyang KCNA in English*
1011 GMT 5 Sep 95

[FBIS Transcribed Text] Pyongyang, September 5 (KCNA) — Copies of literature revering the great leader President Kim Il-song were scattered around "Independence Memorial" at the foot of Mt. Huksong in Mokchon-myon, Chonan County, South Chungchong Province of South Korea on the morning of August 15, according to Seoul-based radio Voice of National Salvation [VNS] quoting an information of the South Chungchong Provincial Committee of the National Democratic Front of South Korea (NDFSK).

Written on the top of the front of the literature in the name of the South Chungchong Provincial Society for Democracy and Reunification were "In Celebration of the 50th Anniversary of August 15 Liberation" and in the middle under the title "Thanks to President Kim Il-song, a Benefactor of August 15 Liberation" were "the August 15 liberation was a gift which was presented to our fellow countrymen by President Kim Il-song, a legendary hero of the anti-Japanese revolutionary struggle, after the 20-year anti-Japanese war."

"Let us all remember President Kim Il-song, a benefactor of August 15 liberation, forever for all ages."

Seen on the back of the literature were the following words:

"People,

"We have the leader Kim Chong-il, the same with President Kim Il-song.

"The leader Kim Chong-il is the destiny of the nation and the centre of great national unity.

"The day of national reunification, the second August 15 liberation, is sure to come under the guidance of the leader Kim Chong-il as the August 15 liberation was achieved by President Kim Il-song.

"Let us all hold the great leader Kim Chong-il in high esteem and courageously rise up in the reunification movement to carry out the behests of President Kim Il-song for reunification in the 90s! The South Chungchong Provincial Society for Democracy and Reunification, August 15, the 50th anniversary of the August 15 liberation."

Chonkukyonhap To Inaugurate Committee

SK0509103595 *Pyongyang KCNA in English*
1012 GMT 5 Sep 95

[FBIS Transcribed Text] Pyongyang, September 5 (KCNA) — The National Alliance for Democracy and

Reunification (Chonkukyonhap) called its Central Executive Committee meeting on August 21 and decided to inaugurate the National Measure Committee to put the May 18 murderers on trial, according to a report.

Chonkukyonhap declared that it would actively conduct a national signature campaign, struggle and meetings for the enactment of a special law and its enforcement.

Poem Views Kim Chong-il's Reunification Efforts

*SK0509104295 Pyongyang KCNA in English
1021 GMT 5 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 5 (KCNA) — Chong Son-pong, a popular poet of South Korea, wrote a poem titled "General Kim Chong-il Is Reunification," according to Seoul-based radio Voice of National Salvation.

The lengthy poem published in Seoul in August last speaks of Pyongyang visit by Pak Yong-kil, widow of Rev. Mun Ik-hwan, stressing that under the leadership of General Kim Chong-il Korea will be reunified without fail.

It says that 40 million people in South Korea had looked forward, for 50 years, to the day when the father of the nation whom they had believed in as heaven of their destinies would come to them taking the carriage of reunification.

Their earnest desire, it notes, was crushed to pieces by the thunder of sorrow in July last year and all people became condolers at once.

It recalls the warm hospitality accorded by General Kim Chong-il to Mrs. Pak Yong-kil who visited Pyongyang on the first death anniversary of President Kim Il-song in July this year.

When she felt sorry for her failure to bring mourning clothes to the general, he expressed his heartfelt thanks to her for her visit to Pyongyang through the rugged road at her advanced age and said he would understand Rev. Mun and the 40 million people came from South Korea together with her, the poem says, and continues:

The widow was sobbing, overcome by his great loving care and benevolence. When she looked up to General Kim Chong-il, she saw that the general has the same, free and easy character as President Kim Il-song had, about which Rev. Mun used to tell.

The general said that he wanted to see the fellow countrymen in South Korea, that he would do his best to reunify the country, that Kim Chong-il lives only for the reunification the leader desired so earnestly, and that he would not be Kim Chong-il if he failed to reunify the country for the sake of the 70 million Koreans.

Since there is such person who is trying to realise the desire of the fellow countrymen in the North and South, the reunification is not far off, and the reunification the people longed for, awake or asleep, for half a century is just General Kim Chong-il and vice versa.

Mrs. Pak made a deep bow to President Kim Il-song who is preserved in state and said to him that under the leadership of General Kim Chong-il the reunification will be achieved without fail and the future of the nation bright.

Respected General Kim Chong-il realised the desire of the 70 million Koreans to hold in high esteem President Kim Il-song, the sun, as the eternal sun.

The widow of Rev. Mun saw the president of a reunified Korea, in the person of the dignified General Kim Chong-il, when she looked up to him who took a bird's eye view of Korea and showed great loving care for all the fellow countrymen on the platform of a ceremony to open the Kumsusam Memorial Palace to the public.

In conclusion, the poem says the Korean people will work hard for reunification, looking up to the sun of reunification, with the 40 million people of South Korea grasping the hands shaken by General Kim Chong-il, the reunification of the nation.

Liaoning CPC Delegation Arrives in Pyongyang

*SK0209020495 Pyongyang KCNA in English
2237 GMT 1 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — A delegation of the Liaoning Provincial Committee of the Communist Party of China [CPC] led by its Deputy Secretary Wang Huaiyuan arrived here today.

Pays Respects to Kim Il-song

*SK0309090995 Pyongyang KCNA in English
0807 GMT 3 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — A delegation of the Liaoning Provincial Committee of the Communist Party of China led by its Deputy Secretary Wang Huaiyuan visited Kumsusan Memorial Palace where the great leader President Kim Il-song is preserved in state and made a deep bow to him on Saturday [2 September].

The head of the delegation wrote in a visitor's book that President Kim Il-song, the great leader of the Korean people and a close friend of the Chinese people, will be immortal in the hearts of the people.

He wished the Korean people greater success in socialist revolution and construction under the wise leadership of

the Workers' Party of Korea headed by Comrade Kim Chong-il, true to the behests of President Kim Il-song.

Light Music Ensemble Arrives in Nanjing

SK0109145995 *Pyongyang Korean Central Broadcasting Network in Korean*
2200 GMT 30 Aug 95

[FBIS Translated Text] The Pyongyang Wangjaesan Light Music Ensemble led by Kwon Hyok-pong, which is currently visiting China, arrived in Nanjing by plane on the afternoon of 30 August.

The ensemble was warmly greeted at Nanjing Airport by (Pan Chin-xu), vice head of the Propaganda Department of the CPC Jiangxi Provincial Committee as well as director of the Cultural Department of the Jiangxi Provincial People's Government; and other functionaries concerned.

Prior to this, the Pyongyang Wangjaesan Light Music Ensemble had successfully wound up its performances in Beijing and departed Beijing on this day for local performances.

The ensemble was seen off at Beijing Airport by Xu Wenbo, vice minister of culture of China; other functionaries concerned; and Chu Chang-chun, our country's ambassador to China.

Radio Accuses Japan of Planning Reinvasion

SK0309221295 *Pyongyang Korean Central Broadcasting Network in Korean* 0800 GMT 3 Sep 95

[Unattributed talk: "Japan Must Not Forget the Lesson of History"]

[FBIS Translated Text] Today, with 50 years having passed since the Japanese imperialists were brought to an end in the court of history, people are examining Japan's unparalleled grave crime and the militarist position it has assumed for the 50 years since the war. Japan's 50 years since the war have been 50 years of the revival of militarism and rearmament and 50 years of criminal preparations for a reinvasion.

After the Japanese imperialists were defeated, the Japanese people and people of other countries of the world demanded that Japan make a new start after removing the shameful legacies of aggression, war, and crime. However, the Japanese reactionaries have thought that the Japanese imperialists were defeated due to someone else and again sought to militarize themselves in defiance of conscientious people at home and abroad and the expectations of conscientious people at home and abroad.

After the war the Japanese imperialists again emerged from the grave of destruction under the U.S. umbrella. In particular, the reactionary Japanese ruling class positively participated in the Korean war, which the United States launched, and cooperated during the war. By so doing, they built a material and military basis for reviving militarism. Japanese monopolistic capital was quickly revived and expanded and gained control at home again. Japanese monopolistic capital's revival and expansion were accompanied by rearmament. The Japanese militarists founded police reserve forces in 1950 and, later, formally inaugurated the Self-Defense Forces — that is, regular forces equipped with militarist armor — under the pretext of defense.

After founding the Japanese Self-Defense Forces in violation of the peace agreement, the Japanese reactionary ruling class sought a military buildup and made massive military expenditures for this in the 1950s. The Japanese reactionary ruling class long ago abandoned the principle that no more than 1 percent of its GNP will be allocated to defense, a principle that it had adhered to as a symbol of peace. In the 1990s it devised the so-called theory of a new danger and continued to implement its policy of making Japan a military power based on this theory.

Japan's military power equals that of the powerful countries of the world, and its military expenditures are the second biggest in the world. What is especially grave is the fact that Japan is making utmost efforts to fulfill its nuclear ambition, which it failed to fulfill in the past. The ultrarightist Japanese reactionaries are accelerating their efforts to arm themselves with nuclear weapons and become a nuclear power behind the luxurious curtain of the three nonnuclear principles. Japan has made all preparations for the production and use of nuclear weapons. (Daniel Ellsberg), former adviser to the U.S. secretary of defense, said in July this year that Japan could manufacture nuclear bombs and become a nuclear superpower in a week. It is no coincidence.

A robber sharpens his knife not to defend himself but to harm and plunder someone else. Taking advantage of the fact that the superpowers' policy of strength was frustrated and that there is no competitor in the military field, the Japanese militarists are seeking to find an opportunity for overseas aggression. Our country is their first target.

A good example is the fact that the ultrarightist Japanese reactionaries have declared that the area East of Korea is within their defensive perimeter, completed a scenario for the reinvasion of Korea, deployed main units of the Self-Defense Forces in western Japan, and beefed up their collusion with the South Korean puppets.

The Japanese Defense Agency has recently designated our country as the first target of its defense. In essence, this is tantamount to an open declaration that we will be the first target of its attack. Political analysts warn that the Japanese militarists who have legalized freedom of military action may launch a reinvasion. This warning is not groundless.

All facts prove that the venomous militarist serpents are trying to swallow Asia and, in the long run, the world. However, the world will never allow this. The Asian people are heightening vigilance against Japan's attempt at reinvasion and are determined to resolutely punish them if they launch a reinvasion.

The ultrarightist Japanese reactionaries' reinvasion will restage their defeat 50 years ago and again bring disasters and shame to the Japanese people. Japan must know this. Japan must squarely see the trend of the times and move toward peace.

Daily Condemns Violence Against Korean-Japanese.

*SK0609054995 Pyongyang KCNA in English
0437 GMT 6 Sep 95*

["Intolerable Hostile Act Against DPRK" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — A rightist gang of Japan, on September 1, rushed to the central hall of the General Association of Korean Residents in Japan (Chongnyon) and kicked up a row, threatening to kill Koreans. On August 28, a clerk of the Tokyo Credit Association of the Korea bank was shot and robbed of a large amount of money.

Commenting on this, NODONG SINMUN today says the incidents are part of the Japanese reactionaries' premeditated anti-DPRK, anti-Chongnyon moves and never-to-be-condoned crimes.

In a commentary the paper says:

We bitterly denounce the Japanese reactionaries, considering their latest hostile acts as an intolerable provocation against the DPRK with high dignity and an unbearable insult to the Korean nation.

The Japanese authorities are under a legal and moral obligation to ensure the just activities of Chongnyon and Korean residents in Japan and protect them in view of the historical reason of their residence in Japan and international law and usage.

Nevertheless, they let ultra-rightists run riot against the DPRK and Chongnyon in downtown Tokyo in broad daylight. We cannot but take this seriously.

The attitude of the Japanese authorities towards Chongnyon is just their attitude towards the DPRK, and their suppression of Chongnyon is a provocation against the DPRK.

The rightwingers' provocation against Chongnyon was committed at a time when the resumption of DPRK-Japan talks for the normalization of bilateral relations is being brought to maturity. We are wondering how the Japanese authorities can engage in the talks under this situation.

We strongly urge the Japanese government authorities to take the Japanese police to task for conniving at and fostering the rightwingers' anti-DPRK, anti-Chongnyon acts and sternly punish the gang.

Kang Song-san Greet SRV Prime Minister

*SK0109111895 Pyongyang KCNA in English
1028 GMT 1 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — Premier of the Administration Council Kang Song-san sent a message of greetings to prime minister of Vietnam Vo Van Kiet on the occasion of the 50th anniversary of the national day of the Socialist Republic of Vietnam.

The message wished the Vietnamese people great success in the work for prosperity of the country.

Foreign minister of the DPRK Kim Yong-nam sent a message of greetings to foreign minister of Vietnam Nguyen Manh Cam.

Pyongyang Papers Mark Nonaligned Movement Day

*SK0109113295 Pyongyang KCNA in English
1041 GMT 1 Sep 95*

["Strengthened and Developed Non-aligned Movement Called For" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — Papers here today dedicate articles to the day of the Non-aligned Movement [NAM] calling for continually standing true to the principle and idea of the movement and strengthening and developing it.

In an editorial article titled "Let Us Continue To Stand True to the Principle and Idea of the Non-aligned Movement" NODONG SINMUN says the great leader Comrade Kim Il-song gave flawless scientific answers to all theoretical and practical questions, including the position and role of the movement in the efforts to make the world independent, the character, essence and basic idea and principle of the movement and the tasks and ways to strengthen and develop it, and wisely led it

so that the movement could give a strong impetus to the onward movement of history and the process of revolutionary changes in the world.

The article quotes Comrade Kim Il-song as saying:

"Since the imperialist forces of domination remain, and since the ideal of nonalignment has yet to be realized, the Non-aligned Movement must continue to exist and to strengthen and develop".

The article further says:

In order to sustain, strengthen and develop the movement all its member countries that have interests in it should do their best to this end, achieve the unity and cohesion of the movement based on independence as well as firm solidarity among them.

The strategy of unity and cohesion and solidarity is a fundamental stratagem to frustrate the attempt of the imperialists to split the movement and alienate its member countries as well as their strategy of piecemeal defeat.

Collective self-reliance and South-South cooperation are a way for the non-aligned and other developing countries to live without the dependence on the big powers.

The Non-aligned Movement should continue to maintain its independence and, at the same time, take the initiative and exercise its influence in the settlement of international issues and play a leading role in destroying the old international order and establishing a new, unbiased one.

MINJU CHOSON carries an editorial captioned "The Non-aligned Movement Should Be Further Expanded and Developed".

The editorial says non-aligned countries should further tighten the bond of unity and solidarity under the banner of independence, democracy and peace, transcending differences in social system, political viewpoint, ideology, religious belief, nation and race.

The Democratic People's Republic of Korea, a dignified member country of the NAM, will more stubbornly struggle for the strengthening and development of the movement and global independence in unity with the non-aligned countries under the idea of independence, peace and friendship.

Castro Sends Telegram to Kim Chong-il

SK0609101195 *Pyongyang KCNA in English*
1002 GMT 6 Sep 95

[FBIS Transcribed Text] Pyongyang, September 6 (KCNA) — The great leader Comrade Kim Chong-il

received a telegram from Fidel Castro Ruz, first secretary of the C.C. [Central Committee], the Communist Party of Cuba, president of the Council of State and president of the Council of Ministers of Cuba, on the occasion of the 47th founding anniversary of the Democratic People's Republic of Korea.

The telegram dated August 31 notes that the DPRK guided by President Kim Il-song until the last moment of his great life has scored achievements in an incessant struggle of more than 40 years to realize the supreme wish of the Korean people by highly displaying the spirit of national unity and independence.

In the telegram, Comrade Fidel Castro Ruz assured to Comrade Kim Chong-il once again of Cuba's invariable solidarity for the Korean people's just struggle for peaceful reunification of the country and the steadfast will of Cuba to continue to expand and cement the fraternal relations between the parties, governments and peoples of Cuba and Korea.

Nepal Journalist Association Delegation Arrives

SK0209150795 *Pyongyang KCNA in English*
1504 GMT 2 Sep 95

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — A delegation of the Nepal Journalist Association led by its President Harihar Birahi [spelling of name as received] arrived here today.

It was met at the airport by Choe Yong-sam, first vice-chairman of the Central Committee of the Korean Journalists Union.

Nepalese, UN Groups Visit Statue

SK0409050695 *Pyongyang KCNA in English*
0444 GMT 4 Sep 95

[FBIS Transcribed Text] Pyongyang, September 4 (KCNA) — A delegation of the Nepal Journalist Association led by its President Harihar Birahi [name as received] called at the statue of the great leader President Kim Il-song on Mansu Hill on September 3, to express reverence for him.

With feelings of reverence for President Kim Il-song, the guests laid a bouquet of flowers before the statue and made bows.

"The death of President Kim Il-song is a biggest sorrow not only to the Korean people but also to the world's progressives," the head of the delegation said. "Here, I have keenly felt the Korean people's ardent feelings of reverence and respect for their leader."

"Such noble feelings of the Korean people are unthinkable apart from the relations of kinship established between the leader and the people," he added.

Earlier, on September 2, fact-finding teams of the World Food Programme, the U.N. Food and Agriculture Organization and the U.N. Children's Fund, on a visit to Korea for cooperation to flood sufferers, laid bouquets before the statue and made bows.

Hwang Chang-yop Meets New Mongolian Ambassador

*SK0309083695 Pyongyang KCNA in English
0808 GMT 3 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — Hwang Chang-yop, secretary of the Central Committee of the Workers' Party of Korea, on Saturday met and had a talk with D. Byambaa, newly-appointed Mongolian ambassador e.p. to Korea, who paid a courtesy call on him.

Italian Delegation Sends Gift to Kim Chong-il

*SK0209055095 Pyongyang KCNA in English
0445 GMT 2 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — The great leader Comrade Kim Chong-il received a gift from a visiting delegation of the Communist Re-Establishment Party of Italy.

The gift was handed to Secretary of the Workers' Party of Korea Central Committee Hwang Chang-yop by the head of the delegation Mario Brunetti, a member of the leadership of the party.

Kim Il-song Called 'Outstanding Leader' of NAM

*SK0209150395 Pyongyang KCNA in English
1500 GMT 2 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 2 (KCNA) — Respected Comrade Kim Il-song was an outstanding leader of the non-aligned movement (NAM), who devotedly worked to help NAM to advance along the track chosen by itself, said an Indian parliamentarian, Jiponroin [spelling of name as received], in an interview with KCNA in New Delhi on August 23 to mark the day of NAM.

Respected Comrade Kim Il-song in many works clearly indicated how NAM should meet the challenges, overcome difficulties and defend the ideal of anti-imperialism and independence, the lawmaker said, and continued:

"The peoples of the non-aligned and other developing countries will always remember respected Comrade Kim Il-song as a resolute fighter, great inspirer and

teacher of NAM who devoted everything to human independence.

"Comrade Kim Chong-il, a peerless great man whom the Korean people uphold as their supreme leader, is a famous general who will lead the 21st century.

"As long as it enjoys the inspiring leadership of Comrade Kim Chong-il, who has extraordinary wisdom, matchless grit and tested commanding art, NAM will continue to have a positive influence on world politics."

Kim Chong-il Receives Telegrams From Abroad

*SK0309102895 Pyongyang KCNA in English
1002 GMT 3 Sep 95*

[Original item not processed from 0800 GMT cast due to poor reception; spelling of all names as received]

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — The great leader Comrade Kim Chong-il received congratulatory telegrams from foreign party leaders on the 50th anniversary of Korea's liberation.

They came from A.F.M. Mahbubul Huq, convenor of the Central Committee of the Socialist Party of Bangladesh; Alberto Moreno, secretary general of the Central Committee of the Peruvian Communist Party (Red Motherland); Gustavo Mohme Ryona, national secretary general of the Socialist Political Action Party of Peru; Luis Mateo Munos, general secretary of the Socialist Party of Peru; Rupert Roopnarine, co-leader of the Working People's Alliance of Guyana; Milud al Mahdabi, secretary general of the Permanent Secretariat of the Mediterranean Organisation of Socialists; Terence A. Marryshow, political leader of the Maurice Bishop Patriotic Movement of Grenada; and Leonel Mario da Alva, chairman of the Democratic Convergence Party and Reflection Group of Sao Tome and Principe.

The telegrams extend warm congratulations to Comrade Kim Chong-il on the 50th anniversary of Korea's liberation.

They express the belief that the Workers' Party of Korea and the Korean people will succeed in socialist construction and the independent and peaceful reunification of the country under his wise leadership.

They sincerely wish him good health and a long life.

Comrade Kim Chong-il also received a congratulatory telegram from the National Political Committee of the Mexican Workers' Party on the same occasion.

Kim Chong-il's Works During School Days Noted

*SK0109113695 Pyongyang KCNA in English
1053 GMT 1 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — The great leader Comrade Kim Chong-il with a noble intention to add lustre to Korea, performed great leadership feats in his days of Kim Il-song University, the centre of chuche-based education. In this period he published some 1,200 works, including treatises, talks, speeches, answers, conclusions and letters.

In those days Comrade Kim Chong-il gave flawless answers to academic questions of profundity which covered philosophy, political economy, history, pedagogy, literature and art, linguistics, law, military science and natural science, to theoretical and practical questions arising from the implementation of the lines and policies of the Workers' Party of Korea and all questions from university party work and educational administration, and clearly indicated the ways of carrying them into practice.

The ideological and theoretical activities conducted by him in his university days, which are unprecedented in scope prove that Comrade Kim Chong-il is a peerless great thinker and theoretician, statesman, man of varied attainments and military genius.

What drew peculiar attention in his ideological and theoretical activities was that he gave a comprehensive exposition of the idea and theory of the revolutionary outlook on the leader, which was a matter of urgency in the development of the revolutionary theory of the working class in the light of the actual conditions of the international communist movement.

In his works including "The Leader of the Working Class Plays a Decisive Role in Revolutionary Struggle" and "Let Us Strengthen the Ideological Unity and Cohesion of the Party Members on the Basis of the Revolutionary Idea of the Leader" he gave an elucidation of an idea on the decisive role of the leader in the revolution and construction and principles to be adhered to in defending and carrying to completion the revolutionary cause of the leader.

When he was in the university, he was versed into the profound principles of the chuche idea on the highest level no one could reach. Basing himself on this, he published famous works, including "On Correctly Understanding the Basic Questions of Philosophy," "Man Is Master of Social Relations," "On the Questions of Position and Role of the Popular Masses in the Development of History" and "On Decisive Role of Ideology." He, therefore, succeeded in laying ideological and the-

oretical foundations for the fulfilment of a historic task to formulate the revolutionary idea of the great leader President Kim Il-song as the integral system of idea, theory and method of chuche through the comprehensive systematisation of the fundamentals of the chuche idea.

In those days he also published scores of works on army building and on the strengthening and development of all branches of arms and services, which was a demonstration of his distinguished qualities befitting a peerless brilliant commander with literary and military accomplishments.

Many historic treatises and talks published by him on the basis of the profound knowledge of Korean and world histories and the chuche-based outlook on history in his university days deal with clear-cut analysis and appreciation of the historical facts including the unification of the three kingdoms as well as the established theories and with principles and methodological basis that should be maintained as the guidelines in the study and understanding of history and the classics.

With scientific insight into the then complicated international situation and trend in its development he published historical works laying bare the characteristics, essence and danger of modern imperialism and revisionism.

In a great many works including "Language and Question of the Nation" and "Broadcasting Service Is a Powerful Mass Medium" he gave a scientific exposition of the theoretical and practical questions arising in literature, music, fine art, cinematics, opera, the press, and physical culture and sports and other areas and indicated the ways of carrying them into practice.

His revolutionary activities at Kim Il-song university in the early 1960s constitute an event of historical significance in carrying to completion the chuche revolution and enriching the treasure house of the immortal chuche idea.

Kim Chong-il's Work Published in Bulgaria

*SK0409044895 Pyongyang KCNA in English
0433 GMT 4 Sep 95*

[FBIS Transcribed Text] Pyongyang, September 4 (KCNA) — "Socialism Is a Science", a famous work of the great leader Comrade Kim Chong-il, was translated and published in booklet jointly by the Dimitur Vlagoyev publishing house of Bulgaria and "TRIBUNA", the organ of the Central Committee of the Bulgarian Communist Party [BCP] (Marxists) [M]. The publication was made to mark the 47th birthday of the Democratic People's Republic of Korea.

A meeting of officials from the BCP (M) Central Committee and the Dimitur Vlagoyev publishing house was held on August 28 in this regard.

Addressing the meeting, Boris Petkov, president of the Executive Council of the BCP (M) Central Committee, said:

Comrade Kim Chong-il's work "Socialism Is a Science" is a historical work which defended scientific accuracy and truth of socialism from the distortion by the imperialists and reactionaries and proved its validity and invincible vitality.

The work is a historical declaration of the times which heralded the rebuilding of the socialist movement and a fresh march of socialism.

Kang Song-san Views Historical Film

SK0309114395 Pyongyang Korean Central Broadcasting Network in Korean 1300 GMT 2 Sep 95

[FBIS Translated Excerpt] Under our party's guidance, further parts of the multi-part feature film "The Nation and Destiny" have continuously been produced.

The Korean Film Studio has recently released Working Class Part 6 of this multi-part feature film, Part 30, as a monumental masterpiece of the era. Party and government cadres saw this film today at the People's Palace of Culture. Those who saw the film were Comrades Kang Song-san, Yi Chong-ok, and Pak Song-chol; Vice President Kim Pyong-sik; Comrades Kim Yong-nam, Choe Kwang, Chon Pyong-ho, Han Song-yong, Choe Taepok, Choe Yong-nim, Hong Song-nam, Yang Hyong-sop, Yi Ul-sol, Paek Hak-nim, Kim Kwang-chin, Kim Ik-hyon, Hwang Chang-yop, So Kwan-hui, Kim Yong-sun, Kim Hwan, Kim Pok-sin, Kim Yun-hyok, Chang chol, Kong Chin-tae, Yun Ki-pok, Pak Nam-ki, and Chon Mun-sop; Mrs. Yu Mi-yong; and members and candidate members of the Workers Party of Korea Central Committee residing in Pyongyang; senior officials of party, state, and administrative and economic offices and public organizations; Korean People's Army generals; anti-Japanese revolutionary fighters; senior officials of the fields of science and technology, education, culture and arts, public health, and publications and the media; and professors and doctors. [passage omitted]

Daily Stresses 'Education in Morality'

SK0409050095 Pyongyang KCNA in English 0441 GMT 4 Sep 95

["Intensified Education in Morality — Important Requirement for Consolidating Socialism" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 4 (KCNA) — In his famous work "Giving Priority To Ideological Work Is Essential for Accomplishing Socialism" the great leader Comrade Kim Chong-il said intensified education in socialist morality is an important requirement for consolidating and developing socialism.

He said:

"Encouraging all members of society to acquire sound moral qualities is an important requirement for consolidating and developing socialism."

NODONG SINMUN in a by-lined article Sunday says education in morality must be intensified so that all members of society can acquire moral qualities to meet the intrinsic demands of socialist society.

To intensify education in socialist morality is an important guarantee for training all members of society into true revolutionaries intensely loyal to the party and the leader and devoted to the socialist cause.

Education in socialist morality is an ideological work to perfect all members of society in spiritual and moral terms by helping them acquire sound moral qualities.

When all members of society regard socialism as their belief and morality, socialism can victoriously advance through any ordeals.

Intensified education in socialist morality is essential for training all members of society into resolute revolutionaries who keep pure and clean loyalty to the party and the leader as their revolutionary faith and obligation and regard it as their moral duty to remain faithful to the socialist cause pioneered by the leader.

It is also essential for consolidating the singlehearted unity of the leader, the party and the masses and making socialism invincible.

The most solid unity is the singlehearted unity of the leader, the party and the masses. It can be very solid when it is based on ideology, purpose and morality.

Only when education in socialist morality is intensified, can people have a revolutionary sense of obligation, uphold the party and the leader with a pure heart and unite in morality.

Intensified education in socialist morality is a firm guarantee to establish a sound and revolutionary way of life throughout society and give full play to the advantages and vitality of socialism.

It is instrumental in enabling people to have a sound view of morality and a way of life suitable for socialist society, so that socialism can give full play to its superiority and vitality and constantly consolidate and develop, unaffected by imperialist ideological and cultural poisoning and bourgeois way of life.

Our party has intensified education in socialist morality so that our people can acquire sound moral qualities and consolidate the bulwark of socialism.

Meeting Marks Establishment of Taedonggang Inn
SK0309024995 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 31 Aug 95

[FBIS Translated Text] A report meeting was held yesterday at the Chollima Cultural Hall to mark the 40th anniversary of the founding of the Taedonggang Inn. Present there were Comrade Han Song-yong, member of the Political Bureau of the Workers' Party of Korea [WPK] Central Committee and secretary of the party Central Committee; Comrade Pak Nam-ki, chairman of the Pyongyang municipal administrative and economic committee; and relevant sector functionaries, functionaries and workers of the inn, and functionaries of the external service sector in Pyongyang. Comrade Han Song-yong conveyed a thank-you note from the WPK Central Committee to functionaries and workers of the Taedonggang Inn.

In the thank-you note, the WPK Central Committee pointed out that it extended warm thanks to all the functionaries and workers of the inn who achieved a great success in implementing our party's external service policy on the 40th anniversary of the founding of the Taedonggang Inn.

The thank-you note pointed out that since the establishment of the inn in August 1955 to date, functionaries and workers of Taedonggang Inn have vigorously carried out the external service activity to achieve the country's external authority, cherishing in their hearts a great dignity and pride of working in the glorious workplace where the immortal leadership relic of the party and the leader [suryong] are preserved.

In the thank-you note the WPK Central Committee stated that it highly praised the functionaries and workers of the inn for their great achievement in implementing the revolutionary duty assigned to them over the

past 40 years, bearing the honor as the party's external service functionaries.

The thank-you note stressed that the Central Committee firmly believes that the functionaries and workers of the Taedonggang Inn will outstandingly live up to the trust and expectations of the party by responsibly fulfilling the revolutionary duty assigned to them under the party leadership.

Discussions were held at the report meeting following the commemorative report by (Song Ki-uk), manager of the inn. A letter of pledge to the great leader Comrade Kim Chong-il was adopted at the meeting.

Cooperative Farms in Paechon Expect Good Crop
SK0209064395 Pyongyang Korean Central Television Network in Korean 1100 GMT 31 Aug 95

[FBIS Translated Text] Since the beginning of this year, agricultural working people in Yonan and Paechon counties have thoroughly carried out all farming work as demanded by chuche farming methods to prepare a rich harvest this year — the significant year marking the 50th anniversary of the founding of the party. They have done so under the teachings given by the great leader [suryong] two years ago during his on-the-spot guidance to their cooperative farms and are thus expecting a bumper crop.

Every cooperative farm in Yonan County expects a bumper crop. In particular, because the Oyon cooperative farm has raised a good crop, everyone is pleased to see it.

[Begin recording by unidentified speaker] Whenever I see the fields with a rich crop, I really cannot forget the bright appearance of the fatherly leader [suryong] who was so pleased to see the bumper crop of the No. 2 workshop of our cooperative farm after personally visiting here, the Yonbaek fields, in August, two years ago, even though he was 80 years old.

That day at one end of the cultivated field, the fatherly leader [suryong] taught us in detail and specifically the proper direction and method of the Yonbaek fields, such as the problem of farming, the problem of general mechanization of rural areas, and the problem of actively introducing (?gas) into the mechanization of rural areas. He added that it was his plan and hope to produce over 10 tonnes of grain per chongbo in the Yonbaek fields.

Cherishing in our hearts the teachings of the great leader, we have resolved to give loyalty to the respected and beloved general by properly raising a good crop in the harvest season. Also, by properly farming as demanded by the chuche farming method, we have

raised a bumper crop. As for rice, each ear will have seven unhulled grains more on average than last year, and the (weight of the grains) is expected to be heavier. While making harvesting of corn efficiently, we are carrying out the conclusive stage of the farming work effectively and in a responsible manner, such as water management of rice paddies and the struggle against disease and harmful insects. [end recording]

Also, agricultural working people in the Sonse cooperative farm have raised a good crop by properly engaging in farming, thus unanimously rising in implementing the great leader's teaching. Agricultural workers of the cooperative farm have carried out the farming work in a responsible manner as is befitting for the masters of the cooperative farms, the masters of the soil, while always remembering the glorious day when they upheld the great leader [suryong]. Therefore, the rice ears are becoming more and more ripe in every field, heavily dropping their heads.

Rice paddies in Paechon county have raised a bumper crop. Workers of the Kumsong cooperative farm are preparing a good harvest in all agricultural work by, thoroughly meeting the demands of the chuche farming method, thus cherishing in their hearts the party slogan of "The Farming Field is My Field."

[Begin recording by unidentified woman] These are the glorious fields the fatherly leader personally visited on 30 August 1993, six years ago. Whenever we think of that day in August when he visited, our hearts are filled with excitement, overflowing with a longing for him. Therefore, functionaries and workers of our Kumsong cooperative farm are assiduously farming as demanded by the chuche farming method and, thus, have raised a bumper crop, despite this year's bad climate. Each ear of rice in every field contains ten more unhulled rice grains than last year. We are now doing the manuring and cultivating work for the crops at the final stage well and taking thorough measures to prevent damage from rain and wind so that all the rich grains will be harvested. [end recording]

Workers of the cooperative farm where Comrade Yi Kwang-chi works have raised very good rice. Workers of the cooperative farm have raised crops in compliance with the demands of science and technology, heartily admiring the benevolent appearance of the fatherly leader, who gave valuable teachings at the fields of the cooperative farm. Plenty of corn and rice are standing on all the fields, which spread boundlessly. Rice contains more grains than in past years. Therefore, it is expected that more will be harvested.

In particular, in the fields of the No. 6 work site, where the great leader himself visited, the crops are in an even

better condition and the per chongbo yield of rice and corn is expected to be much greater than last year. The cooperative farm is making every effort so the well-grown crops will result in a bumper harvest without any loss.

Also, workers of the Haksu cooperative farm in Yomju County — who have made efforts to mark the 50th anniversary of the founding of the party with a rich crop — have raised a good crop. Upholding the fatherly leader's behest that agriculture is the essence of paramount importance and to make our fatherland, which is led by the great leader Comrade Kim Chong-il, rich with rice, we have been doing the manuring and cultivating work earnestly in all the farming processes, including sowing seeds, rice transplanting, and weeding. As a result of their constant efforts, today a sea of rice and corn have spread throughout the wide fields. Workers of the cooperative farm are now thoroughly preparing to harvest a good crop without wasting a grain of rice.

Country's Power Industry Development Featured

*SK0109151795 Pyongyang KCNA in English
1505 GMT 1 Sep 95*

["50 Years Under Banner of WPK" (3); Power Industry" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 1 (KCNA) — Production is on a steady increase in the power industry with the 50th anniversary of the Workers' Party of Korea [WPK] (October 10) at hand.

The nation's power industry relying on its own rich power resources has made a leaping progress over the last five decades.

The great leader President Kim Il-song said:

"In order to ensure the rapid development of the national economy, the first necessity is to expand and consolidate our fuel and power bases. In particular, the electric power industry should be developed ahead of other branches in order to accelerate the electrification of the country, which is of great significance in technological progress."

The WPK and the state defined it as the general direction of the development of the power industry to build a solid national power base and give priority to this industry in the national economy. They have put great efforts into this industry ever since the liberation of the country.

The power industry was harshly destroyed during the three years of war started by U.S. imperialism (June 1950-July [words indistinct] in the first five-year plan period, however, Supung, Changjingang, Pujongang,

Hochongang and other large-sized power stations, transformer sub-stations and power distribution stations were fully rehabilitated and equipped with modern technology.

When the Changjagang power station was built and thermal power stations of factories were rehabilitated in the main, the per capita electric output of the nation reached the level of developed industrialized countries.

In the 1960s, thermal power stations relying on the nation's abundant coal were built extensively, so the one-sidedness — dependence on hydraulic power alone — and fluctuation of electric power production could be overcome.

In the 1970s the Pukchang thermal power complex was expanded into a large power base, modern thermal power stations were built in Sonbong area and on the Chongchon River and the Taedonggang power station and many other large-sized hydro-electric power stations appeared.

The nation's power industry was consolidated in the 1980s.

Large-sized hydro-electric and thermal power stations were built in Taechon, Liwon, Chongjin, Unchon and other areas and lockgate power stations were installed at Mirim, Ponghwa and other barrages. The existing power stations were extensively reconstructed on an expansion basis and more than 1,000 minor power stations took shape in different parts of the country.

The nation's electric output was 55,500 million kwh in 1989.

In the 1990s, Korea has promoted the construction of power stations to meet the ever-increasing need for electricity in the national economy.

More than ten large-sized hydro-electric and thermal power stations and scores of minor power stations are under construction.

Efforts are being made to use atomic energy, wind, solar heat and other resources in the power industry.

Power Plant Workers Aim To Increase Output

SK0309011895 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Sep 95

[FBIS Translated Text] Workers of the Changjagang power plant are continuously effecting an upsurge in power production to complete 100 percent of its monthly target as of 30 August. During the period of implementing plans, workers of the power plant have vigorously struggled to increase power production by more effectively using water under the party's revolutionary economic strategy. Workers of the Nos. 1

and 2 generator work sites have overfulfilled the daily target by assiduously taking care of the power facilities and by enhancing the generator's efficiency.

Part of Film 'The Nation and Destiny' Released

SK0309083995 Pyongyang KCNA in English 0812 GMT 3 Sep 95

[FBIS Transcribed Text] Pyongyang, September 3 (KCNA) — The Korean Film Studio has released working class part 6 of the multi-part feature film "The Nation and Destiny" (Part 30) as a monumental masterpiece of the era.

The film vividly shows that the hero Kang Tae-kwan and other workers in Kangson flared the flame of the Chollima Workteam Movement under the revolutionary slogan "One for all, all for one!" Which was put forward by the great leader President Kim Il-song.

The heroes wage a powerful struggle for increased production of steel, rallied close around the party, and grow to be forerunners of the Chollima Workteam Movement under the loving care of President Kim Il-song.

The film also shows the indomitable will and faith of the Korean workers to devote their all to the party and the leader, the country and the people, society and the collective.

It stresses that the only way of prosperity and development of Korea is to build the independent national economy in the revolutionary spirit of self-reliance and hard struggle.

Premier Kang Song-san, Vice-Presidents Yi Chong-ok, Pak Song-chol and Kim Pyong-sik, and other senior party and government cadres appreciated the film at the People's Palace of Culture on Saturday [2 September].

Achievements of Metal Industry Viewed

SK0509103295 Pyongyang KCNA in English 1005 GMT 5 Sep 95

["'50 Years Under Banner of WPK' (5); Metal Industry" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, September 5 (KCNA) — The metal industry has made a rapid progress under the leadership of the Workers' Party of Korea.

Korea's metal industry was negligible right after the liberation (August 15, 1945). The metal industry which was built by the Japanese imperialists for the purpose of plundering Korea of natural resources mainly produced such half-finished goods as pig iron, coarse copper and

coarse lead. It was ruthlessly destroyed in the three-year war ignited by the U.S. imperialists.

The nation's metal industry entered into a new development after the war (July, 1953). The great leader President Kim Il-song put forward the unique line of building an independent metal industry and clearly indicated the way for the metal industry to follow in each period and at each stage of the developing revolution. And he wisely led the work for its realization. As a result, the workers of the Hwanghae iron works built a 100-ton open-hearth furnace in less than one year after the war and the workers of the Kangson steel works rehabilitated an electric furnace only in 40 days and turned out the first molten iron. The smelters at the Nampo general smeltery works (the Nampo smeltery at that time), too, rehabilitated a copper furnace in a short span of time.

The gross metal industrial output value in 1956 was 46 percent up above the 1949 figure, the previous year of the war. It grew over three times in 1960 as against the figure of 1956.

In the 1960s the independence of the metal industry was remarkably strengthened as a powerful industrial domain equipped with universal production processes, from pig iron to steel, rolled steel and second metal processed products.

The metal industry made a new technological progress in the 1970s. In the wake of automation initiated by the great leader Comrade Kim Chong-il at the Hwanghae iron and steel complex, iron and steel works and smelteries across the country made a signal progress in the automation of production processes by internal closed-circuit TV and remote control.

In the '80s the vast-scale second-stage expansion project of the Kim Chaek iron and steel complex was completed and the production capacity of iron and steel works was increased largely. While, the September 21 smeltery, the October 13 youth smeltery and the Phyongbuk smeltery were commissioned and hundreds of kinds of steel and materials developed. The annual amount of steel production reached seven million tons.

During the third seven-year plan (1987-1993), bases for producing high-pressure pipes and stainless steel pipes were built, the Tanchon smeltery was commissioned and a production base of fire proof materials was strengthened on an expansion basis to open a bright prospect for the development of the metal industry. The steel output increased 30 percent in this period.

The metal industry will take on fresh looks during the period of adjustment (1994-1996).

South Korea

Deputy Premier Comments on 27 Sep Beijing Agenda

SK0609011595 Seoul THE KOREA TIMES in English
6 Sep 95 p 2

[Report by Son Ke-yong]

[FBIS Transcribed Text] South and North Korea agreed to resume government-level dialogue Sept. 27 in Beijing to discuss inter-Korean economic cooperation, Deputy Premier-National Unification Minister Na Ung-pae said yesterday.

"Seoul will also raise such issues as the repatriation of the Usong fishing boat and its crew, the alleged abduction of Rev. An Song-un, and the controversial comment by (North Korean Workers' Party secretary) Kim Yong-sun on rice aid," he told reporters.

"We are already in the process of shipping 150,000 tons of rice to North Korea. The government will consider offering more aid if North Korea officially asks for it in the Beijing talks," he said.

So far, Seoul has shipped 107,000 tons of rice and the transportation of the remainder will be completed by next month, Na said.

"North Korea appears to be exaggerating the size of its damages caused by the recent floods. The accurate size of property losses will be determined when the United Nations survey is completed," he said.

North Korea told the U.N. Department of Humanitarian Affairs (DHA) that the recent floods which hit the North's western regions left 5.2 million people homeless and caused an estimated property damage of 15 billion dollars.

Originally, Seoul and Pyongyang agreed to resume the third round of inter-Korean dialogues last month but the North's detention of a South Korean rice-carrying ship cooled relations between the two countries, indefinitely putting off the meeting.

The repatriation of the South Korean fishing boat crew has been long delayed even though Seoul officials said that Seoul and Pyongyang reached an agreement in principle over their release.

South and North Korea are also waiting for the Chinese government's announcement on the outcome of its probe into the alleged kidnapping of the South Korean pastor active in the eastern Chinese city of Yanji.

The deputy premier said that Chon Kum-chol, the North's chief delegate to the Beijing rice aid talks, sent a

message to Seoul on Aug. 18, hoping that inter-Korean dialogue would resume late this month.

Seoul sent a reply to Pyongyang on Aug. 29, suggesting that it is desirable for South and North Korea to start dialogues on Sept. 27, a date which Pyongyang agreed to in Saturday's message.

The unification minister said that Seoul's goal is to hold the meeting in the truce village of Panmunjom and, ultimately, continue the process until it reaches Seoul and Pyongyang.

"If this inter-Korean dialogue makes progress, we don't have to hold talks in a third country," he said.

The deputy premier said that Vice Finance-Economy Minister Yi Sok-chae will continue to head the South Korean delegation at the Beijing talks. Earlier, Na proposed the replacement of the chief delegate, alleging that Vice Unification Minister Song Yong-tae should replace Yi, a proposal which faced strong objection from other top North Korea policymakers.

"There will be no replacement of chief delegate because we will focus on inter-Korean economic cooperation when dialogue resumes. However, there will be minor changes in the composition of the South Korean delegation," he said, hinting that more officials from his ministry will take part in the Beijing talks.

With regard to press reports that Japan is considering offering additional rice aid to North Korea, Na said that it is up to the Japanese Government.

"However, it is desirable for Seoul and Tokyo to closely cooperate to settle the issue as allies," he said.

Na said that relief aid by international organizations such as the UNHCR, the World Health Organization and the Red Cross will not meet the North's expectations because the level of their assistance is far smaller than those by Seoul and Tokyo.

Meanwhile, Na said that the government rejected a request by the Hyundai Group family's honorary chairman, Chong Chu-yong to visit North Korea.

"Although Chong's family wished to meet their relatives residing in North Korea, the government already has a principle that it is not appropriate for heads of South Korean conglomerates to visit North Korea for the time being in consideration of the practical progress of inter-Korean relations," he said.

Further on Northern Floods, Relief Assistance

Seoul Considers Participation

SK0609112195 Seoul YONHAP in English
1116 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — The government is considering providing relief goods like medical supplies to flood-stricken North Korea, a government official said Wednesday.

He said that the government is promoting the provision of a small amount of relief goods if North Korea formally asks for assistance through an international organization upon the completion of an on-the-spot appraisal of North Korea's flood damages by a United Nations team.

"Since we, too, are a member country of international organizations, we cannot reject it if some international body asks us for assistance for the North," he said.

So far, the government was less eager to give flood aid to the North. Its position had been that "if there is formal request by North Korea or an international organization, we would think about it then."

Kim Kyong-ung, spokesman for the National Unification Ministry, said there is no change in the government policy of studying the provision of flood aid only if requested.

He was quick to add, however, that "It would be possible for us to give the North an aid in the scale of tens of thousand dollars through an international organization."

Kim said that the government does not consider at all giving them any additional rice since the shipment of the 150,000 tons of rice the South is providing to the North is still underway.

Germany To Contribute

SK0609071795 Seoul Hitel Database in Korean
0500 GMT 6 Sep 95

[From the 6 September TONG-A ILBO]

[FBIS Translated Text] On 5 September, the German Government announced that it will provide relief aid to North Korea which is reportedly suffering from enormous damages by the unprecedented torrential downpours.

Germany is the first European country to directly offer relief materials to North Korea.

The German Foreign Ministry said in a statement that it has decided to accede to a North Korea's request on humanitarian grounds. North Korea reportedly asked

Germany for relief aid to cope with the disaster. Even though North Korea did not specify the items that are seriously needed, it reportedly strongly hinted that it expects the provision of various kinds of goods, including food, by appealing that the recent flood affected this year's crop harvest and caused serious damage to houses, plants, roads, and bridges.

The German Government will reportedly provide medical and infant supplies to the North Korea's flood-stricken areas as soon as it secures the materials, judging that those items are in urgent need. However, it was learned that Germany will decide the amount of materials to be supplied to North Korea on a symbolic level and exclude the supply of foreign currency and grain from the upcoming relief aid.

Over 60 Reported Killed

SK0609063495 Seoul YONHAP in English
0539 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — As many as 60 to 70 North Koreans lost their lives and approximately 500,000 others fell victim to the recent floods which hit western North Korea, according to a report submitted by the United Nations Department of Humanitarian Affairs (UNDHA) Wednesday.

According to the UNDHA report received by the Foreign Ministry, a joint fact-finding team from UNDHA and the World Health Organization (WHO) visited areas in Hwanghae and South and North Pyongan Provinces and near the Apnok (Yalu) River between Aug. 31 and Sept. 3.

Pakchon city, South Pyongan Province, reportedly suffered losses of 7,000 hectares of rice fields, 7,000 tons of fertilizer and 13,000 cows, according to the report.

A total of 370,000 U.S. dollars in assistance has thus far been provided to the North by a variety of international organizations.

Among them are UNDHA (50,000 dollars), the United Nations Development Program (UNDP) (50,000 dollars), WHO (100,000 dollars), the International Federation of the Red Cross (IFRC) (50,000 dollars), the Government of Norway (100,000 dollars) and the Nippon Foundation (20,000 dollars).

The UNDP recently established an emergency assistance office in Pyongyang to facilitate relief efforts there, the report added.

Editorials View Agreement To Hold Rice Talks SK0609084795

[FBIS Editorial Report] The following is a compilation of editorials and articles carried by Seoul vernacular dailies on 6 September commenting on the ROK-DPRK agreement to resume the third round of rice talks in Beijing on 27 September.

The moderate CHUNGANG ILBO publishes on page 3 a 700-word editorial headlined "Self-Confident Policy on North Korean Affairs." Pointing out that nearly all media, social organizations, and political circles are remaining silent about sending flood relief to North Korea because of North Korea's "rude and provocative acts" as regards ROK flood aid, the editorial calls on both the North and South to work to "renew the atmosphere" in the upcoming talks. In order "to renew the atmosphere," the editorial insists the North should give a clear explanation as to why it detained an ROK vessel carrying rice and should release the crew of an abducted ROK fishing vessel. The editorial states the ROK Government should "obtain the North's promise" on the aforementioned issues; should elaborate "its overall and systematic strategy" toward North Korea by "closely examining what was right and wrong" about previous rice aid talks; and should "eradicate chronic discord among the ministries concerned" that has plagued the rice negotiations. Lastly, the editorial emphasizes that the ROK Government should "assume a self-confident attitude" in pursuing policies toward North Korea.

The moderate KYONGHYANG SINMUN in Korean carries on page 3 a 700-word editorial headlined "Things That Should Be Cleared at the Third Round of Rice Talks." In the editorial, the paper feels "perplexed since there is no guarantee the incident of 'being slapped in the face after providing rice' will not occur again." Welcoming Unification Minister Na Ung-pae's remark that "providing the remaining rice aid could be used for flood relief" and that "the ROK will study relief aid if North Korea officially requests it at the Beijing talks," the editorial states: "If the government maintains such a stance during the negotiations, it is certain positive results will be achieved." The editorial adds: "There is no need for us to hurriedly promise unconditional relief even if Japan or the United States announces the provision of relief material to North Korea."

The KYONGHYANG SINMUN also carries on page 5 a 900-word article headlined "The Background Behind North Korea's Proposal for 'the Third Round of Rice Talks.'" The article analyzes that North Korea made such a proposal in relation to the serious damage inflicted by recent torrential rains. Reporting that interna-

tional organizations and some countries cannot afford to send massive aid to North Korea, North Korea hopes to "tap the ROK's intention concerning relief aid" at the Beijing talks. The article also reports the ROK Government has no plans to send relief material to North Korea because it was "the target of public criticism" after North Korea detained a vessel carrying rice. The article predicts the government will offer to provide North Korean flood victims with relief aid if North Korea immediately repatriates the abducted fishing boat and clears suspicions about the kidnapping of Reverend An, and then only if public resentment subsides.

Northern Delinquent Debt Estimated at \$200 Million

SK0609043595 Seoul YONHAP in English
0146 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — South Korean companies' accounts receivable in arrears from North Korea, which have accrued in the course of inter-Korean trade, amount to almost 200 million U.S. dollars, government and business sources said Wednesday.

North Korea's overdue payments to the three South Korean business groups which are most active in trade with the North are estimated at more than 170 million dollars, and those to the other South Korean firms amount to some 30 million dollars.

One of these three groups, which had been very active in trade with the North before Kim Il-song's death in July last year, has yet to receive about 100 million dollars for goods it supplied to the North, a business source said.

This group provided the North with cars, clothes and even rice before Kim's death apparently in a bid to lay a footing upon which it could make full-fledged inroads into the North Korean market in the future, however, the North has not paid for of these goods and other supplies, he added. [sentence as received]

The other two groups have overdue bills totaling some 70 million dollars from the North.

Businesses engaged in trade with the North admitted the existence of overdue payments but refrained from commenting about the amounts and, thus, there is no way of knowing the exact amount of North Korea's debt in arrears to South Korean firms.

Meanwhile, another business source remarked that most of these businesses are not urging their North Korean partners to make payment, nor are they complaining about the products these North Korean firms made with raw materials supplied from the South, because they

want to preempt business rights there when its markets really open to foreign businesses.

Russia Allegedly To End Military Pact With North

SK0609093995 Seoul KBS-1 Radio Network
in Korean 0900 GMT 6 Sep 95

[YONHAP report from Moscow]

[FBIS Translated Text] It was recently revealed that Russia officially notified Pyongyang of the abolishment of the military alliance treaty concluded with North Korea. According to a diplomatic source in Moscow today, since the 10 September deadline for notifying North Korea about the abolishment of the mutual assistance treaty concluded during the old Soviet era is approaching, recently the Russian Foreign Ministry officially notified North Korea through diplomatic channels of its intention to abolish the treaty.

The Russian Foreign Ministry plans to officially announce this matter in a regular briefing tomorrow. Therefore, the basic foundation that played the role in linking North Korea and the old Soviet Union as socialist allies during the Cold War will be legitimately liquidated.

Kong Urges More Japanese Effort on Comfort Women

SK0609082395 Seoul YONHAP in English
0814 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — Foreign Minister Kong No-myong Tuesday [5 September] urged Japan to make greater efforts to solve the so-called comfort women issue, in which Korean women were forced to serve as sex slaves for Japanese soldiers during World War II, Foreign Ministry Spokesman So Tae-won said Wednesday.

While meeting with Japanese Prime Minister Tomiichi Murayama after attending a funeral ceremony for former Japanese Prime Minister Takeo Fukuda in Tokyo, Kong also stressed the need for Japan to play a more active role in solving the issue of ethnic Koreans left in Sakhalin where they were taken to perform forced labor.

Responding to Kong's remarks, Murayama said that his government will try to solve the issues on the occasion of the 50th anniversary of the end of the Second World War, the spokesman said.

The spokesman also quoted the Japanese prime minister as saying that Japan will make efforts to build a future-oriented relationship between the two countries while reflecting on the past.

Kong will return to Seoul Thursday morning, winding up his two-week tour of five South American states and Japan.

Ministry Statement Regrets French Nuclear Testing

*SK0609011395 Seoul YONHAP in English
0026 GMT 6 Sep 95*

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — South Korea Wednesday expressed regret over the nuclear testing conducted by France in the South Pacific early Wednesday morning, urging the [as received] Paris to immediately stop all nuclear testing which could obstruct global and regional nuclear non-proliferation efforts.

Foreign Ministry Spokesman So Tae-won said in a statement that "the Government of the Republic of Korea is very disappointed that France went ahead with a nuclear test, breaking its own moratorium on nuclear testing of April 1992, despite strong protests and deep concerns registered by many countries all over the world."

"As an Asia-Pacific country, we especially regret that France conducted the test in this region," So said.

The statement also urged France to "immediately halt all nuclear testing in order not to obstruct global and regional non-proliferation efforts especially at a time when the negotiations for an early conclusion of a comprehensive test ban treaty are progressing."

Foreign Policy's Dependence on U.S. Criticized

95P30146A

[FBIS Editorial Report] The 27 July SISA JOURNAL asserted that ROK citizens learned the "cold reality" of the ROK-U.S. relationship when the U.S.-DPRK talks resulted in the signing of an agreement leading to the establishment of U.S. and DPRK representative offices in Washington and Pyongyang respectively. According to the article, this agreement shattered the "special relationship" South Koreans believed their country has had with the United States for past 50 years.

The article blamed the Seoul government and its foreign policy for the "rude awakening" caused by the Washington-Pyongyang relationship. It charged that the Seoul government's foreign policy failed to be independent from the United States, failed to "distrust" Washington, and failed to recognize changing U.S. foreign policies. It said the Seoul government obviously never thought that Washington would conclude an agreement with Pyongyang unless Seoul was a part of the agreement or Seoul and Pyongyang developed a relationship. The article urged the Seoul government and its foreign

policy to be free of dependency on the United States and to stand alone. Moreover, Seoul must discard the belief that the United States will always be on the ROK's side. The Washington-Pyongyang relationship will continue to grow whether Seoul approves it or not.

Furthermore, the SISA JOURNAL article warned the Seoul government that before long many North Koreans will go to the United States and will do their best to create friction between Washington and Seoul. Particularly, the article asserted that Pyongyang will enjoy trying to chili the Seoul-Washington relationship already aggravated by trade friction. The article speculated that Washington might develop a "two Korea policy" similar to China's, Japan's and Russia's, and that Washington will modify its foreign policies when necessary to advance U.S. national interests.

According to the article, U.S. businessmen's interest in investment in North Korea is heating up and is expected to rise. The article suggested that the Seoul government's main foreign policy task should be the re-establishment of a "cooperative relationship" between Washington and Seoul, and that Seoul should always be ready to adapt to the rapidly changing atmosphere surrounding the Korean peninsula.

Further on Kim Tae-chung, National Congress

Interview With Kim

*SK0609111595 Seoul TONG-A ILBO in Korean
6 Sep 95 p 3*

[Interview with Kim Tae-chung, president of the National Congress for New Politics, by unidentified correspondents on 5 September; place not given]

[FBIS Translated Text] [Unidentified correspondent] How do you feel about the inauguration of the new party and your return to politics?

[Kim] It is a miracle. I thought we would have a tough time. I did not expect the people's support for our party would surpass that for all other parties, including the ruling party, in such a short period of time. I feel lucky, and at the same time, fearful.

[Unidentified correspondent] If you were to meet with President Kim Yong-sam, what would you discuss?

[Kim] The definition of ruling-opposition party relations. Parties should recognize each other as partners of the state administration; if not, it will be difficult to stabilize the political situation.

[Unidentified correspondent] In your inauguration speech, you demanded the disclosure of President Kim's election funds.

[Kim] There have been suspicions about the election funds. Former legislator Yi Won-cho and former Finance Minister Yi Yong-man are prime suspects. Since we are under great pressure, I was telling him not to try to remove a splinter in the other's eye but pluck out the log in his own. I will not comment further.

[Unidentified correspondent] You will not comment, or you have no proof?

[Kim] No comment.

[Unidentified correspondent] Will you run in a local electorate in next year's general election?

[Kim] I never considered that.

[Unidentified correspondent] What is your basic policy for future state administration?

[Kim] Even if one is in power, one is not free to commit irregularities or impose unfair pressure on opposition parties. In the case of legislator Pak Un-tae, it is obviously a suppression of the opposition party when the government announces charges against Pak without giving him a chance to defend himself. Discussing state affairs with the ruling party is a separate matter from inquiring into the truth.

[Unidentified correspondent] Did you receive any message from the ruling party regarding the anticorruption investigation?

[Kim] No, I have not.

[Unidentified correspondent] What is your position on the upcoming regular National Assembly session?

[Kim] We will not make irresponsible disclosures or attacks, but will inquire into the wrongdoings of government policies and irregularities with firm proof and on firm ground. As regards the national budget evaluation, our position is that small and medium companies should be the mainstream of the national economy.

[Unidentified correspondent] Please explain your relations with Seoul Mayor Cho Sun.

[Kim] I am satisfied with having sent a good mayor like Mayor Cho to the citizens of Seoul. Being a person with personality and sound judgment, he knows what to do. I do not intend to press him to join our party.

[Unidentified correspondent] What is the qualification of your successor?

[Kim] (Smiling) If I told you, the story would diminish the report on the party's inauguration. Let me show you the rim now and the core later.

Congratulations From Kim Yong-sam

SK0609073495 Seoul YONHAP in English
0629 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — President Kim Yong-sam sent his Secretary for Political Affairs Yi Won-chong Wednesday to the main opposition National Congress for New Politics (NCNP) to congratulate NCNP President Kim Tae-chung on the new party's inauguration Tuesday.

Yi told the opposition leader that President Kim wished to congratulate NCNP President Kim Tae-chung on his inauguration.

For his part, NCNP President Kim expressed his gratitude for the president's sentiment.

Yi said to the NCNP president, "President Kim Yong-sam believes in parliamentarism. It is the hope of the people that ruling and opposition parties cooperate and compete productively through fair play, and I think President Kim Yong-sam is hoping so, as well."

Several NCNP officials including Reps. Kim Sang-hyon, Yi Chong-chan and Cho Se-hyong also participated in the brief meeting.

'Summit' Meeting Unlikely

SK0609045195 Seoul YONHAP in English
0256 GMT 6 Sep 95

[FBIS Transcribed Text] Seoul, Sept. 6 (YONHAP) — The ruling Democratic Liberal Party (DLP) criticized the proposal Kim Tae-chung, president of the main opposition National Congress for New Politics (NCNP), made for a meeting with President Kim Yong-sam.

Rep. Kang Sam-chae, secretary-general of the DLP, said, "when he proposed such a summit meeting between chiefs of ruling and opposition parties, he should have observed the proper decorum. The manner in which he proposed the meeting was awkward."

Kang said, "requesting the meeting to discuss the national administration with President Kim Yong-sam, he seemed to be making the proposal as a part of a political attack."

He predicted that a meeting between the two Kims is unlikely, saying, "President Kim will meet with anyone to discuss the national administration...However, I do not think this is the proper time."

Kim Yong-sam Reshuffles DLP Leadership

95P30147A

[FBIS Media Note] On 21 August, President Kim Yong-sam nominated Kim Yun-hwan, a conservative 63-year-

old politician from the Minjong faction, to be the ruling Democratic Liberal Party's (DLP) new chairman at the party convention. Kim's choice was unanimously approved by the delegates. On 22 August, Chongwadae [presidential offices] named four more individuals to fill the remaining main leadership posts. Although the Seoul press noted that President Kim is carrying out his promise of a "generational shift," it expressed "surprise" over the relatively "young average ages" of the new party leadership. The press speculated that the new leaders' main task of winning the April 1996 general election will be a tall order.

The 22 August conservative CHOSON ILBO (retrieved from the Chollian database) reported that conservative politician Kim Yun-hwan was selected as the new DLP chairman on 21 August. On 22 August, Chongwadae announced the selection of DLP Minju faction's Kang Sam-chae (43) as DLP secretary general, that faction's Son Hak-kyu (49) as party spokesman, the Minjong faction's So Chong-hwa (56) as floor leader, and the Minjong faction's Kim Chong-ho (60) as chief policymaker. According to CHOSON ILBO, because the average age of this new leadership is only 54, political observers called it an "age-smashing" reshuffle and reportedly expressed concern over their relationship with party seniors.

According to the 22 August issues of the liberal TONGA ILBO and left-leaning HANGYORE SINMUN (both retrieved from the Chollian database), because of the ruling party's defeat in the June local elections, the ruling DLP is in an "extremely vulnerable" position. Not only are party members, particularly Minjong faction lawmakers, afraid of losing their seats in the 1996 general election, but the party leaders are also concerned about maintaining a united party. CHOSON ILBO said that Kim Yun-hwan, a seasoned politician known as a "kingmaker," was selected because of his popularity and his influence over the party's Taegu-North Kyongsang (TK) group members. Kang Sam-chae and Son Hak-kyu, who are from President Kim's home province, were selected as "proof" of President Kim's promise of a "generational shift," while So Chong-hwa from Incheon, Kyonggi Province, and Kim Chong-ho from Koesan, North Chungchong Province, were chosen for their Minjong faction affiliation and their regional home bases. President Kim is concentrating on winning the 1996 general election in all regions except the Cholla Provinces.

South Korean media focused mainly on the "unprecedented appointment" of 43-year-old Kang Sam-chae as the party secretary general. TONGA ILBO said President Kim "broke all records" by appointing such a young man to the party's most important post. HANGYORE

SINMUN questioned the president's selection of such a young man to be the ruling party's secretary general in a country where age and seniority are very important, and it added that the effectiveness of the relationship between a 63-year-old chairman and a 43-year-old secretary general—particularly when the younger man has the real power because of his close ties to the president—remains to be seen. According to CHOSON ILBO, new Secretary General Kang responded to this concern and told reporters, "I worked well with Chairman Kim during the 1992 presidential campaign. At times we virtually spent 24 hours a day together."

Kang, despite his age, is a third-term lawmaker from Masan, South Kyongsang Province, the home of President Kim's father. TONGA ILBO said that although Kang is a member of the Minju faction, he is known for his ability to straddle issues. Kang, a former student activist who served 14 months in jail when he was president of the Kyonghi University student body, is a skillful worker, has outstanding organizational abilities, is a reform-minded progressive thinker, and has proven his leadership qualities to the younger DLP lawmakers in the both Minjong and Minju factions. President Kim is counting on Kang's loyalty, popularity, and leadership to influence the younger generation. However, CHOSON ILBO said that despite the proven leadership ability of new Secretary General Kang Sam-chae, because of the ROK's social and political culture Kang's "youth" and his "close ties" with President Kim could cause further turmoil in the DLP, which may offset the benefits of the president's calculated appointment.

Citing the National Congress for New Politics spokesman, Pak Chi-won, TONGA ILBO foresees "trouble" for the DLP and President Kim with the appointment of Kim Yun-hwan. According to the daily, "President Kim's appointment of the conservative Minjong faction's Kim Yun-hwan as party chairman proves the president has no intention of changing his political agenda or his leadership style." Furthermore, TONGA ILBO added that the president made a big mistake of not noticing Kim Yun-hwan's "sliding popularity and influence" within the TK group. In fact, HANGYORE added, many of Kim's colleagues and friends consider him a "traitor to the TK group" who will have little influence in the TK region, which the president desperately needs on the DLP side, particularly his hometown, Taegu, where strong "anti-DLP-ism" is spreading.

Chairman Kim Yun-hwan once stated that he will not accept the DLP chairmanship unless it carries real power. Nevertheless, Kim accepted the position after President Kim clearly expressed his intention of personally running the DLP. The 21 August TONGA ILBO (retrieved from the Chollian database) said that

"unless there is a secret agreement between the president and the chairman," political observers will see the new chairman as a symbolic chairman, with the real power held by the president and the new Secretary General Kang Sam-chaе. If that happens, Kim Tae-chung, Kim Chong-pil and other opposition leaders will want to deal directly with President Kim as the ruling party leader, totally ignoring Kim Yun-hwan. By doing this, the opposition party leaders will bring the president down to their level, will "strip Kim Yun-hwan's political power and influence over the TK group," and will try to grab the TK members for their own side.

A reshuffle of the cabinet, Chongwadae, and less important positions in the DLP are expected to follow soon.

Editorial Rejects U.S. Pressure on Auto Market

*SK0609140995 Seoul CHUNGANG ILBO in Korean
6 Sep 95 p 5*

[Unattributed editorial: "Pressure on Automobiles Which Ignores Reality"]

[FBIS Translated Text] There is a great possibility that the Office of the United States Trade Representative may specify the ROK as a priority foreign country for opening up its automobile market. This is based on the assumption that if there is no progress in negotiations with the ROK on opening up its automobile market, the U.S. Government will exercise the so-called Super Section 301. If we arrive at a conclusion prior to this, however, we think there is little reasonable basis for the United States to take such a super-strong measure.

Recently, the intensity of trade pressure from the United States has increased. The ROK Government gave the United States an extension of the circulation period for frozen goods and equal treatment regarding U.S. cigarettes. Now, right after this was concluded, the United States is pressuring us to open up our automobile market.

Even though the ROK is currently opening its automobile market, this is pressing us too much. The United States must take a more prudent attitude.

The United States is demanding that the ROK's automobile import tariff, which currently stands at 8 percent, be reduced to the U.S. level of 2.5 percent, and that supplementary expenses such as the special excise tax, the automobile tax, and subway government bond, all of which are imposed according to engine displacement, be alleviated.

It may be all right to demand holding negotiations on reducing the tariff, but to make such a demand in disregard of the ROK's unique domestic situation, in which

it is inevitable to increase the supplementary expenses on automobiles, is too much. Making large automobiles pay more for supplementary and maintenance expenses is a unique reality of the ROK, one which adheres to the principle of burdening those who are most capable of paying. It is good to respect the principle of the World Trade Organization of opening markets, but making demands that are characteristic of internal intervention is awkward.

Moreover, ROK automobile exports to the United States have currently been reduced rapidly. In 1988, 480,000 automobiles were exported; 230,000 were exported in 1994, and only 110,000 were exported during the first half of this year. On the other hand, imports of U.S. automobiles for 1994 totalled 33.5 percent, increasing to 75 percent (1,271 automobiles) during the first half of this year.

The United States' justification for pressuring us to open up our automobile market is sparse, which has been proven through statistics. Along with this, due to the increase in imports of U.S. goods, the culprit for the ROK's foreign trade deficit is not Japan, but is shifting to the United States. In an interview with a foreign paper recently, President Kim Yong-sam pointed out there is no justification for the United States to increase trade pressure on us at a time when the trade deficit with the United States is progressively increasing. We entirely sympathize with this.

The pressure to open up the market must be imposed on countries such as Japan and the PRC, which have a favorable balance of trade with the United States. The government must persuade the United States so it will not lose a negotiating attitude which respects reality.

Overseas Investment Increases Overall

*SK0609042195 Seoul THE KOREA HERALD
in English 6 Sep 95 pp 8, 9*

[FBIS Transcribed Text] Korea's overseas direct investments amounted to \$2.22 billion, on an approval basis in the first seven months of the year, up 11.5 percent from \$1.99 billion over a year earlier, the Bank of Korea said yesterday.

But the number of approved investment projects declined from 1,171 to 909, a 23 percent decrease, during the cited period.

During the cited time, a total of 749 overseas direct investments worth \$1.61 billion were actually carried out, up from \$1.16 billion from a year ago.

"Despite a cut in the number of overseas investments, the investment amounts are on the increase," said a BOK official.

He attributed the decline in the number of investment projects to a drop in local firms' direct investments in China.

In the January-July period, domestic companies made direct investments totaling \$682 million in 493 projects, compared with \$459 million in 630 cases during the corresponding 1994 period.

During the cited time, small- and medium-sized firms made overseas direct investment totaling \$574.5 million in 656 cases on an approval basis, representing 25.9 percent and 72.2 percent in the volume and number of the nation's total overseas investments, respectively.

Korean companies invested abroad \$682.5 million in 140 cases in service-related businesses during the first seven months of the year, up \$258 million from the same period in 1994.

Businesses' overseas direct investments in the manufacturing sector declined from \$1.31 billion in 890 cases a year ago to \$1.23 billion in 645 projects in the January-July period this year, according to the central bank.

By region, Southeast Asia accounted for 55.6 percent or \$1.23 billion of the nation's total overseas direct investments.

Businesses' approved investments in Europe amounted to \$455.9 million in 45 projects during the cited time, representing 20.5 percent of the total investment volume, followed by those in North America with \$385.5 million in 112 cases.

Investments in Latin America totaled \$111.3 million in 29 cases, the central bank said.

In July alone, Korean companies' overseas investments amounted to \$326.3 million in 114 projects, showing a year-to-year decline of 14.8 percent and 42.4 percent in terms of investment amount and number, respectively.

Of the total, local foreign exchange banks approved 88 overseas direct investments totaling \$134.3 million in July; the Bank of Korea, 26 cases and \$192 million; Korea Foreign Exchange, 19 cases and \$5.1 million; and the Export-Import Bank of Korea, 10 projects and \$105.4 million.

As of the end of July this year, domestic firms' outstanding approved overseas investments totaled \$11.73 billion in 5,784 cases.

Brunei, Malaysia & Singapore

Malaysia

Vietnamese Foreign Minister Arrives for Meeting

BK0609092895 Kuala Lumpur Voice of Malaysia
in English 0800 GMT 6 Sep 95

[FBIS Transcribed Text] Vietnamese Foreign Minister Nguyen Manh Cam has arrived in Kuala Lumpur to attend the inaugural Vietnam- Malaysia Joint Commission meeting aimed at enhancing ties, especially in economic areas. Senior officials from both countries opened preparatory talks in the Malaysian capital yesterday. Foreign Minister Datuk Abdullah Ahmad Badawi and Cam are scheduled to have a meeting tomorrow before attending the signing of a memorandum of understanding on the establishment of a joint commission to be cochaired by the two ministers. This will be followed by the signing of an agreement on the avoidance of double taxation in the afternoon.

Vietnam Urged To Reduce High Tariffs

BK0609094195 Kuala Lumpur THE STAR in English
6 Sep 95

[Report by Loong Meng Yee — received via internet]

[FBIS Transcribed Text] Kuala Lumpur — Malaysia will urge Vietnam to reduce the high tariff on the import of cocoa and rubber and speed up approvals to help boost bilateral trade.

Foreign Ministry deputy secretary-general I Datuk Abdul Halim Ali said the country wanted to iron out these technicalities and identify possible areas for trade at the Malaysia-Vietnam Joint Commission first meeting.

Business activities had been hampered by the delay in approvals of licences and permits, he said after the Joint Commission's Senior Officials' Meeting (SOM) here yesterday.

The Joint Commission was established after the Economic, Scientific and Technical Cooperation Agreement between Malaysia and Vietnam was signed in April 1992.

"The two countries have signed 12 bilateral agreements and these serve as useful foundation for future business dealings," said Abdul Halim who is also Malaysia's SOM leader.

Vietnam SOM chief Vo Hong Phuc said his country was impressed with Malaysia's economic growth and looked forward to business ties in sectors such as rubber, cocoa, fish, oil and gas and tourism.

The Joint Commission's first meeting will end tomorrow where Foreign Minister Datuk Abdullah Badawi

and his Vietnamese counterpart Nguyen Manh Cam are expected to witness the signing of Memorandum of Understanding on the Establishment of Joint Commission for Bilateral Cooperation between Malaysia and Vietnam.

King Fetes Sihanouk, Links Ties to Economy

BK0609105495 Kuala Lumpur THE STAR in English
6 Sep 95

[Report by Hah Foong Lian — received via Internet]

[FBIS Transcribed Text] Petaling Jaya — Bilateral ties between Malaysia and Cambodia must be maintained for economic prosperity in a dynamic and fast-growing region, the Yang Dipertuan Agung [Paramount Ruler] Tuanku Ja'afar said yesterday.

The King said it was important for both countries to promote constant dialogues and exchange of visits within the framework of a stable and peaceful South-East Asia.

"The development of co-operative relations in the trade and economic field will allow countries in the region to expand and share the fruits of economic prosperity," said Tuanku Ja'afar yesterday when he hosted a royal state banquet for King Norodom Sihanouk.

Tuanku Ja'afar said it was King Sihanouk's encouragement that led to his government's accession to the Treaty of Amity and Co-operation.

Cambodia's current observer status in Asean, Tuanku Ja'afar said, would bring closer the day for a united South-East Asia.

He also congratulated King Sihanouk on his accession to the throne.

He also noted King Sihanouk's crucial role in the Cambodian peace process where the success of the United Nations Mission in Cambodia would not have been possible without his vision and leadership.

Meanwhile, King Sihanouk said the country was making every possible effort to overcome the serious problems and difficulties inherited from more than two decades of war, genocide and torment by the Khmer Rouge.

However, the understanding, moral support and the generous assistance of Malaysia was a great encouragement for their efforts to restore the basic fabric of their society and improve their standard of living, he said.

Yesterday afternoon, Prime Minister Datuk Sri Dr Mahathir Mohamed called on King Sihanouk at Carcosa Sri Negara [State Guest House].

Cambodia**King Reacts 'Strongly' to News Agency Quote***BK0609094295 Phnom Penh REAKSMEI**KAMPUCHEA in Cambodian 6 Sep 95 pp 1, 3*

[FBIS Translated Text] Upon his return from Indonesia, the Cambodian king reacted strongly for the first time to a REUTER News Agency report that said that the king father had said in a speech: "We, Cambodians, should be grateful to Vietnam for liberating all of us from the Pol Pot regime; otherwise, we would have all been killed. We should repay this obligation by giving parts of our territory in a number of provinces to Vietnam."

The king said: "I, Norodom Sihanouk, from my birth to my death, am and shall remain a person of good birth, as a pure Khmer, a Cambodian — not a traitor. How could I be willing to allow Vietnam, Thailand, or Laos to invade us, to seize our land? No way. I will not allow anyone to take even a small piece of our land."

The king father emphasized his determination to defend our territory by saying: "Our territorial waters must be defended forever. We will not allow even a small fragment of our land to be lost. Why must they accuse me of giving portions of our territory to Vietnam for helping to liberate us?"

His Majesty King Norodom Sihanouk expressed this strong reaction on the Cambodian National Television TVK on the night of 3 September and on Channel 9 at noon on 4 September. He pointed out that Cambodians, particularly those in Australia, reacted strongly to this article.

His Majesty King Norodom Sihanouk, in his name as the Cambodian king, has always supported journalists, although some journalists have made unfavorable comments about him in the past. This time he was very angry. He said: "I strongly condemn anyone who translated my remarks in Cambodian saying that we, Cambodians, should give parts of our territory to the Vietnamese since they helped to liberate us from Pol Pot's claws... I just cannot accept that. I cannot accept that someone would put words in my mouth — words that I have not even said."

The king recalled his speech made on the national television on 28 August just before leaving for Indonesia by saying: "It is true that I said that the Cambodian people lived under the Pol Pot-Ieng Sary-Khmer Rouge-Ta Mok regime and that when Vietnam came in 1978, the Khmer Rouge just ran away. But I never said that we should give away our territory to repay our obligation to the Vietnamese."

The king rejected this report saying: "The REUTER report is 100 percent wrong. This truly is my assassination. It is really very tough dealing with journalists."

His Majesty King Norodom Sihanouk added: "I do observe religious precepts. But I am also angry to be harassed that way."

The king appealed for a review of this matter: "I want the Cambodians who are still in doubt to ask the REUTER journalist who translated my speech to contact the national television, national radio, the Information Ministry, and the Foreign Ministry and then listen again to my speech to find out whether I said that or not."

Khmer Rouge Say Phnom Penh Regime Collapsing*BK0509122095 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 4 Sep 95*

["News conference by Mak Ben, minister of rural areas, agriculture, and water conservancy and representative of the Provisional Government of National Union and National Salvation on 4 September"; place not given — recorded]

[FBIS Translated Text] [Mak Ben] I would like to inform the compatriots about a meeting held by the cabinet of the Provisional Government of National Union and National Salvation [PGNUNS] on Monday, 4 September, as follows:

On 4 September, the cabinet closely examined and discussed the state of collapse and decay in all fields and sectors of the two-heads and the communist Vietnamese puppets.

The cabinet has clearly seen that the state of the two-heads and the communist Vietnamese puppets, who are the tools of the communist Vietnam-alliance war of aggression, is increasingly moving toward collapse and decay in all fields and sectors. The two-heads have already completely collapsed, and there is utter decay on the military and political battlefields. They are now experiencing political division and infighting, and are extremely decayed in the social and other sectors.

I. The two-heads have become bogged down and have collapsed irreparably on the military battlefield. Evidence over the past two years — that is, during the two past dry seasons and the nearly three past rainy seasons — clearly and indistinctly shows that the two-heads, at the behest of Communist Vietnam and the alliance, have painstakingly strived to attack the resistance forces of the nation and the people. They have been, however, seriously defeated by the resistance forces of our nation and people. They have been

defeated by the resistance forces since the first year. In the second year, they suffered even heavier losses. They have lost all their combatants and commanders. Not more than 10 percent of their old troops, which have been badly destroyed and dispersed, have remained. They can no longer recruit new soldiers. Some already drafted soldiers have deserted the battlefield. The two-headed commanders are incompetent, nasty, and quite rotten. The privates, who have been deprived of their salaries and rice, are demoralized and are fleeing the battlefield in growing numbers. Supply lines which are the two-heads' vital blood vessels have been attacked and cut off by the National Army and the Cambodian people. Route 5 and the railway line in west Cambodia; Route 6, Route 12, Route 68, and Route 69 in north Cambodia; and Route 4 and the Phnom Penh-Kompong Som railway line, and others are being blocked, causing the two-heads to agonize further.

II. Politically, the two-heads are facing an internal rift and infighting:

1. The entire nation and people abhor the two-heads. They are resolutely fighting the two-heads. Why? Because the two-heads have blatantly shown their faces as communist Vietnam's out-and-out lackey puppets. They have continued the communist Vietnamese war, and have committed the most corrupt act of betraying the nation and selling the country.

2. The two-heads are facing an internal rift, as well as mortal, bloody infighting. A coup attempt aimed at liquidating Hun Sen, who is the most goonish and fascist communist Vietnamese puppet, confirms the acute, bloody internal conflict within the two-headed clique. Nothing can help settle the internal conflict and the rift within the clique. The conflict is growing and becoming more and more acute because it stems from the intense and burning conflict of personal interests, and the acute and scorching political, national, and social clashes between the out-and-out communist Vietnam-alliance lackeys. The conflict also ensues from the national liberation struggle carried out by the Cambodian nation and people to defeat and disintegrate the two-heads completely.

3. Socially, the two-headed regime is totally decayed due to its most evil policy. The two-heads, communist Vietnam, and the alliance have looked down on and killed the Cambodian people like animals. The communist Vietnamese administration, the Vietnamese nationals, and unscrupulous merchants have utterly robbed land, economy, rice, and paddy crops belonging to the people, thus causing starvation among millions. Nevertheless, these activities constitute a noose around the two-heads' neck as the people will never allow them-

selves to be killed. They will continue to fight for their survival.

The two-heads have also sunk unfathomably in other sectors. Their economy and finance have gone completely bankrupt. They do not have even a grain of rice left. The two-heads are now begging like stray dogs.

No one can help improve the situation facing the two-heads. Neither their communist Vietnamese boss nor their ally master. Communist Vietnam is terribly bankrupt, and is presently begging. It lost to the Cambodian people in the 13-year war conducted by 300,000 communist Vietnamese aggressor troops. As for the alliance, in spite of its efforts to assist the two-heads, it is now at a complete stalemate.

The two-heads persist in fueling the war to kill the Cambodian nation and people. However, the more it fights, the more it loses. They have depleted all their finances. As for the alliance's forces, including the Para troops [former U.S.-backed resistance fighters], the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, and the Buddhist Liberal Democratic Party [BLDP], they have already been entirely eliminated by communist Vietnam and the communist Vietnamese puppets.

The worst and most decayed situation in all fields and sectors concerning the two-heads occurs because:

1. The two-heads — the out-and-out communist Vietnam-alliance lackeys — continue to inflame the communist Vietnamese war, to pursue the massive nation-betraying and country-selling activities to kill and skin the nation and people, and to carry out most corrupt practices.

2. Our entire nation and people in the countryside and in Phnom Penh, as well as our overseas Cambodian compatriots continue to conduct a courageous, brave, constant, and tenacious struggle. The National Union Party [NUP], the PGNUNS, and our Cambodian nation and people never wanted war, and have never had the least desire to invade any country in the past, at present, or in the future. All of us want to live peacefully within our independence, sovereignty, national unity, and territorial integrity. However, the two-heads, as the out-and-out communist Vietnam-alliance lackeys, continue to fan the flames of the communist Vietnamese war to kill our nation and people, to betray and sell the nation, and to devour the flesh and suck the blood of the people. All of us in the countryside and in Phnom Penh together with the overseas Cambodian compatriots have no other recourse than to fight, in a tenacious and persistent manner, to terminate the communist Vietnamese war at all cost — to achieve

genuine national reconciliation, national compromise, and peace.

The NUP and PGNUNS and our nation and people have struggled against the full-scale communist Vietnamese war for 13 years. We fought and succeeded in defending our Cambodian nation, people, and race thus far. We also struggled against UNTAC [UN Transitional Authority in Cambodia], the alliance, and communist Vietnam which trampled upon the Paris accord. We have continued to fight. We have thus far been triumphant in fighting the two-heads, communist Vietnam, and the alliance.

Based firmly on the experience of past struggles, and relying on the forces of our nation and people, we are able to continue fighting. It is certain that we will succeed in terminating the communist Vietnamese war and in achieving national reconciliation, no matter what. Through successful fighting, we can resolutely protect the Cambodian nation, people, and race that are so cherished by all of us.

These are the main points of the 4 September cabinet meeting that I would like to report to you, my compatriots.

[Correspondent] Thank you, Excellency. I, the representative of PGNUNS radio, would like to ask the following question: There was a coup attempt aimed at liquidating Hun Sen, and a gunfight took place near his house in Phnom Penh a few days ago. Could you please elaborate on the events?

[Mak Ben] There were rumors of a coup attempt aimed at destroying Hun Sen a long time ago. The masses claim that Hun Sen is arrogant and is oppressing both Cambodians and foreigners. He has been communist Vietnamese [President] Le Duc Anh's darling since 1979 when the latter was the commander of the Vietnamese aggressor forces in Cambodia. He is the chief of the goons who implement communist Vietnam's land-annexing and race-exterminating policy against Cambodia. He continues the communist Vietnamese war, allows the Vietnamese to come in to wolf down and swallow Cambodia, and authorizes communist Vietnam to snip at the territory in east Cambodia. He implements communist Vietnam's dictatorial and fascist policy, dismantling the FUNCINPEC and BLDP Parties; cracking down on newspapers, political personalities, the masses; abusing human rights and liberal democratic freedom, and so on. So, both Cambodians and foreigners are hotly furious and determined to terminate him. Terminating him represents a major link to ending the communist Vietnamese war and achieving genuine national reconciliation, national compromise, and peace. That is why

there was a gunfight around Hun Sen's residence recently.

Communist Vietnam has now sent hundreds of communist Vietnamese Dac Cong troops to protect Hun Sen's head. They are posted inside the perimeter of Hun Sen's house. Nevertheless, people say: Even a stork flying in the sky is still trapped. There are many people, students, laborers, pedicab operators, civil servants, soldiers, and policemen in Phnom Penh. They are presently seeking ways to destroy Hun Sen. There are plenty of mines, grenades, B-40 rockets, pistols, rifles, and Molotov cocktails. Hun Sen's head already has a price on it; it is worth no more than the explosion of ammunition.

Indonesia

Dailies View Recent Air Strikes in Bosnia

BK0509143195

[FBIS Editorial Report] Two dailies carry editorials on NATO's recent air strikes on Bosnian Serbs artillery positions around Sarajevo.

SUARA KARYA on 5 September carries a 700-word editorial on page 6 entitled "NATO's Attacks Only a Formality" stating that: "The raucous report on NATO's air strikes targeted at the rebel Serb defense positions was considered pertinent. As reported by Western media, the air strikes were merely considered a show of force but were incapable of forcing the Serbs to come to the negotiating table. On the other hand, NATO's action further boosted the Serbs rebellious spirit toward intensifying their audacity. The rebels have extended an open invitation to the former Yugoslavia to cross over to their side."

SUARA KARYA says: "What conclusion should we draw regarding the 'play-acting' undertaken by NATO and its supporters behind the scene? NATO launched the air strikes at a time when all peace efforts in the Balkans had been exhausted. The Bosnian Serbs were determined to settle the territorial division through aggression and bloodshed. Should they ever sit at the negotiating table, then their move would only be a tactical one. Western nations that are currently continuing their efforts, instead preferred to stand and stare, and allow the United Nations to lose its credibility."

The daily notes: "The entire world has lost its confidence in President Bill Clinton and the European leaders regarding their virtuous determination to create peace and justice in Bosnia. In addition, a suspicion arises that NATO's legitimate air strikes were designed to oust Iraqi leader, Saddam Husayn, at a more 'mature' time. In fact, we should eliminate all our suspicions but we could not avoid conducting ourselves in such a manner

given the reason that NATO had deployed its military strength to the Persian Gulf."

SUARA KARYA goes on to say: "Another possibility for NATO launching its staggered air strikes on Serbian military positions could also be due to the fact that there was an indirect connection with Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed's hosting of the upcoming Organization of Islamic Conference (OIC) to discuss the issue of supplying military weapons to Bosnia-Herzegovina. Mahathir's explanation, which was acceptable, stated that: 'We, as Muslims, cannot allow our brothers to stand and fight without weapons and continuously become easy targets for the enemy. Attention should be given toward taking immediate action — the manner in which the OIC peacekeepers should be deployed if the UN peacekeeping forces were withdrawn from the Balkans.'"

The daily further states that prior to this, President Suharto had suggested that all 112 members of the Nonaligned Movement (NAM) meet to discuss a new approach to the settlement of the drawn-out conflict in the Balkans, and that there were rumors that Jakarta would probably become the venue for the conflicting parties to meet and discuss their respective issues.

SUARA KARYA concludes by saying: "Whatever form international developments take in the Balkans, it would not be considered a transgression if the affected parties, who felt that they had been kept guessing by Western countries, make a firm stand toward safeguarding their Muslim counterparts in the Balkans before it is too late."

Meanwhile, MERDEKA carries a 600-word editorial on 5 Sep on page 6 entitled "The Significance of NATO's Attacks on Bosnia." The daily states: "Finally, the NATO countries and the United Nations unanimously agreed on taking stern and punitive action against the rebellious Bosnian Serbs. The UN's Rapid Reaction Force launched continuous air strikes and bombarded the Serbs vital positions for three consecutive days. The raids ceased last Friday to give the Bosnian Serbs time to consider the UN unconditional ultimatum which states that the Bosnian Serb rebel group should withdraw all its heavy weapons entrenched within the 20 kilometer radius around Sarajevo; should not pose any threat to any of the UN safe regions; open Sarajevo airport; and guarantee free movement to the UN peacekeepers. Should the Bosnian Serbs fail to comply with these conditions, then the air strikes and artillery bombardment will resume. NATO did not mention any specific period for the Serbs to make their decision but only stated that such a decision should be made not within a few days but within a few hours. However, by Monday NATO had not launched any

attack despite the Serbs delay in their decision regarding the UN ultimatum."

MERDEKA notes that the UN and NATO's firm action was quite unexpected because all along there had been disagreements among them about forcing the Bosnian Serbs and their supporters to sit at the negotiating table.

The daily also said that the European countries disagreed on taking stern military action against Bosnian Serbs because such a step would only endanger the safety of the UN peacekeepers who are mostly Europeans.

In addition, MERDEKA asks: "Why did NATO and the European countries suddenly agree to launch air strikes and artillery bombardment? They concluded that the Serb military aggression had gone too far. The Serbs held UN peacekeepers as hostages while facing NATO attacks, and considered them enemies in a battle and not UN peacekeepers. This made the European countries realize the imminent danger that threatens the lives of the troops serving under the UN banner. The Bosnian Serbs then seized Srebrenica and Zepa, the two cities that had been declared by the UN as safe havens. The Serbs action not only ridiculed the UN but also took a swipe at NATO, which they thought was only making empty threats. Finally, when Bosnian Serbs bombarded a Sarajevo market with mortar fire on Monday, only then was a unanimous decision made to cripple the Serbs military strength."

MERDEKA says: "However, the question still remains: could the launched air strikes and bombardment prod the Serbs to approach the negotiating table scheduled in Geneva on Friday. If they refuse, then new air strikes and bombardment will ensue."

The daily concludes by saying: "Given the fact that they had been given ample warning, only a perpetual, strong and stern action will make them bow to the UN demand. Or, will NATO's current action also end as it did in November 1994?"

Government To Protest Flag-Burning Incident

*BK0609084595 Jakarta KOMPAS in Indonesian
6 Sep 95 p 6*

[FBIS Translated Excerpt] Wellington, Tuesday — The Indonesian Embassy will protest to New Zealand over the burning of an Indonesian flag here Tuesday (5 September). Indonesia has warned that such protests could jeopardize relations between the two countries.

Indonesian Embassy Information Counselor Moses Lelating said the torching of an Indonesian flag outside the New Zealand Defense Force Headquarters by a

group protesting Indonesia's "occupation" of East Timor was not acceptable and that the embassy would be making its views plain.

"Such an action is considered an insult to the nation," he said. "For Indonesia the flag is a symbol of the country's honor. This small group of anti-Indonesian people systematically trying to incite Indonesia to react could mar New Zealand-Indonesian relations. I'm afraid it could cause hostile feelings," he added.

Win Cochrane, director of the South and Southeast Asia Division of the New Zealand Foreign Affairs Department, said he had already phoned the embassy to express deep regret at the burning.

"This was our initial response and we're looking to follow up and find out a bit more about it, but certainly, very deep regrets were owed and were given," he said.

"In terms of what action the Indonesians are going to take, I'll just have to wait to see," he added.

East Timor Action Group spokesman Manu Caddie said they burned the flag to protest Indonesia's occupation of East Timor and New Zealand's military links with Indonesia.

The Royal New Zealand Air Force had just completed a joint exercise with its Indonesian counterparts when the flag burning occurred.

A spokesman for Prime Minister Jim Bolger said he had no comment on the incident.

New Zealand Ambassador to Indonesia Tim Groser was summoned to the Department of Foreign Affairs of the Republic of Indonesia last month after an earlier flag burning. Groser said then he had told the Indonesians the burning was "disgraceful and totally inappropriate." [passage omitted]

East Timor Group Sends Message to UN Forum

*BK0609080995 (Internet) INDONESIA Listserv
in English 6 Sep 95*

[Message to the Beijing UN World Conference from the East Timorese Women issued in Dili on 6 September

[FBIS Transcribed Text] Dear conference participants, greetings from East Timor!

In the middle of the night amidst a great silence in Dili, I am thinking of you all, and I imagine how many you must be, how strong you are, how free you talk to each other, and how wonderful that is! I congratulate you for what you are, and for what you achieved or will achieve in this Conference.

Nearly twenty years ago, on December 7th, Indonesia invaded my country East Timor, planes dropping para-

troopers from the skies and boats vomiting fire and hatred from the waters of the raped East Timorese northern "female sea". We have since known war, rape, violations of the most basic human rights, a military occupation regime, oppression, imprisonment and death. We have lost more than 1/3 of our population and the list of our sorrows could go on.

As women we have gone through anything a military invasion and a military occupation machine sets up: rape, imprisonment and death. In twenty years, an untold number of women went through the horror in the Indonesian prisons all over East Timor. Many of us died of starvation and exhaustion in the mountains in the attempt to escape the Indonesian hordes; others died cremated by the napalm bombs; others shot in the battlefield; others languished in military controlled prisons until raped and executed. Many of us carry on our bodies the scars of the interminable days and nights of prison. Our men and our children went out one day to fight the Indonesians, many did not come back. Others are still fighting. Many are in hiding, carrying out clandestine duties. As wives and mothers we are worried about them all the hours of the day. We paid, and continue to pay, a heavy price for the liberation of our homeland.

The Indonesian military have done the most terrible things against us, as women and as mothers. During the most difficult days back in the late seventies and early eighties, the Indonesian military used to kill husbands and children in front of the wives and mothers and literally asked them to smile and yell "Viva Indonesia", and then bury their own husbands and children. Little unborn babies were dislodged from their pregnant mothers with a knife and in the fury of their "anti-communism", the Indonesian military would smash them against the rocks! It was and it is, and it remains the horror! We were even prohibited to cry! Would you believe it? Yes, it did happen! That is the price we paid and continue to pay for the liberation of the "Land of the rising sun"!

We are taking care of our men and our children this long. We hope in human solidarity and believe in the solidarity of the women of the world. We have survived, and for all these nearly twenty years kept the struggle alive and strong, fundamentally because there is a total national resistance to the invasion and the military occupation. Indeed international support has been crucial.

We appeal to you, as women, as mothers, as sisters and as wives, to say a word and to act in your own countries, in all your capacities, power and strength, for the dignity and freedom of the people of East Timor,

for the dignity and freedom of all the East Timorese Women. You will indeed help save East Timor from total disaster, and that is being left to the free will of the Indonesian military. If you understand what is a military dictatorship in the cultural setting of Indonesia, you understand the implications of what I'm saying.

To the Indonesian women in this Conference we appeal for courage and for dignity: Indonesia should recognise it has committed a very big mistake, the real mistake of its fifty years of independence. Twenty years out of fifty, Indonesians have been killing East Timorese, denying them the most basic human rights, chiefly among these, the right to self-determination and independence which is also recognised in the Indonesian Constitution, as a right of all the peoples of the world, including, indeed, the people of East Timor. As a great nation, that aspires to a place in the Community of the civilised nations of the world, it is time to say stop to the butchery carried out in East Timor against innocent people, whose only crime is to love their mother, East Timor. It is time to be "sources of the cool" and say to your men: respect East Timor, and the best way to do it, is to leave East Timor. It is time for Suharto to sit down with Xanana Gusmao, and solve the question of East Timor, once forever. And there will be peace, we will be good neighbours. A great nation would be able to recognise errors made and go the right way: that is to say, Indonesia should leave East Timor.

Your men, your children, your soldiers in East Timor will be doing nothing but killing innocent people, our children. In spite of the official rhetoric, that is the crude reality. Remember November 12th, 1991, the Santa Cruz massacre! The killing fields are no more in the rugged mountains alone. For us, the towns and the villages have become battlefields for freedom. For you, only killing fields everywhere! Development projects, fully controlled by the Indonesian State apparatus. Any solution short of the unconditional recognition of the fundamental right of our people to self-determination and independence will be no solution. We are on the right track of the struggle for humanity, for dignity, for womanhood and for freedom. On December 7th, 1995, it will be twenty years of invasion and military occupation of East Timor by the Indonesian military. Our fight for freedom will go on as long as there is no freedom to live as free human beings, as women, as individuals, as a nation and as "ema" or people of East Timor. Suffering won't deter and discourage us on the road to freedom. Women are source of life, women are mothers and we will deliver life, we will deliver freedom and dignity.

Dear friends, in the freedom you live in the free world, in the peace of your families, in the dignity of your work in small and big cities, don't forget East Timor,

don't forget the East Timorese Women, their plight, their struggle and the struggle of the people of the "Land of the rising sun", Rai Timor Loro Sae. On behalf of the East Timorese Women: Ira Lafai Lighur, of the Clandestine Resistance.

Commander Discusses Irian Jaya Shooting Incidents

BK0609103795 Jakarta FORUM KEADILAN in Indonesian 11 Sep 95 p 15

[“Excerpts” of interview with Major General I Ketut Wirdhana, commander of the Trikora Eighth Regional Military Command, by Tony Hasyim in Jakarta on 28 August]

[FBIS Translated Text] [Hasyim] Local church reports said that ABRI [Armed Forces of the Republic of Indonesia] personnel arrested and shot at people who were attending a church service.

[Wirdhana] I believe the reports have been overdramatized. Why do they want to associate the incidents with religious activities? It is totally untrue that ABRI personnel have attacked people who were engaged in religious activities.

[Hasyim] Was there really a shooting incident involving military personnel?

[Wirdhana] I will admit that there was some firing on incidents against GPK [Security Disturbance Movement] members. They were indeed GPK members because they hoisted the OPM [Free Papua Organization] flag.

[Hasyim] Are you sure they were GPK members?

[Wirdhana] Certainly. We have checked their background, and we have complete information on their organization, such as who their commander is and other information.

I have reported the incidents to the ABRI and Army headquarters as a matter of course and not just because the incidents have come up in the press. In my capacity as the military executive [in Irian Jaya], I have always submitted daily, weekly, monthly reports to the headquarters. I have never submitted false reports, otherwise the officers at the headquarters may make wrong decisions.

In short, I have carried out my operational duties for the territory properly in line with the headquarters' instructions. If there were any faults on the part of my subordinates in the field, I would not cover them up.

[Hasyim] Does the OPM still have any real strength?

[Wirdhana] They certainly have strength, but not much. But though their strength is limited, if they become a

threat, cause problems, and even shoot at employees of Freeport Co. Ltd., we must take action against them. They have shot at Freeport drivers....

[Hasyim] Reports said more than 15 civilians were killed in the shooting incidents.

[Wirdhana] That is not true. Only two were killed, and they were the ones who hoisted the OPM flag.

[Hasyim] When did it happen?

[Wirdhana] In May 1995. We often heard reports about their plan to hoist the OPM flag but had no idea where it would be. When they hoisted the flag, foreigners were to take photographs and distribute them overseas. If they raised the flag in the jungle, we would not care, but at that time we knew that the flag-hoisting event would be politicized. My men happened to catch them in the act.

[Hasyim] Reports said many villagers living near the Freeport area have fled to the jungle to avoid ABRI terror.

[Wirdhana] This is another made-up story. While it is true that some villagers have fled to the jungle, the truth is the OPM has instigated them to do so. In contrast, we are assisting the villagers in T'singa village by teaching them to read, write, and grow plants. Despite our assistance to them, we are branded as terrorists.

[Hasyim] Is it true that the village has mineral deposits?

[Wirdhana] It has mineral deposits, but as far as I know Freeport has no plan to exploit them. Therefore, it is not true that the villagers have been relocated because the area has mineral deposits. In fact, as the village is situated near Freeport, people living near the area should benefit from mineral exploitation. There is no plan to exploit mineral deposits in Timika (including at T'singa village). It is simply a rumor that the villagers will be relocated because their land has mineral deposits.

[Hasyim] Reports made by five nongovernmental organizations said local villagers are disappointed with Freeport, which has spoiled their traditional land, prompting them to join the OPM.

[Wirdhana] I do not want to reach that conclusion. It is normal for one or two persons to be disappointed. I do not know much about this because it is a problem between local people and Freeport. All I know is that there have been no riots or protest demonstrations.

[Hasyim] Has any special team from ABRI or Army headquarters investigated the shooting incidents?

[Wirdhana] No. We consider them as routine duties. Even without press reports, we have always carried out our investigations. We have also questioned the soldiers involved in the shooting. We do not stay idle. After our

probe, it turned out that they had indeed shot at GPK members and I justified their action. If they had shot at civilians, I would have taken strong action against my own men.

[Hasyim] How many soldiers are stationed at Freeport?

[Wirdhana] There is one company stationed at Freeport, but none of them are assigned to Tembagapura. The Freeport area is vast, covering an area of hundreds of kilometers.

[Hasyim] The problem is that local church authorities have made a report on the military's hostile attitude against civilians. The church authorities are unlikely to make a false report.

[Wirdhana] It depends on the information they have obtained. The church is unlikely to tell lies, but it may have received inaccurate information. I am convinced that a clergyman will not tell lies, but his judgment is based on the information he has received. I was shocked to read the church's report in which it was stated that soldiers had shot at people who were celebrating Easter. The report has indeed touched my conscience. All my men understand that disturbing religious ceremonies or places of worship is unacceptable. There is simply no question of them being allowed to be trigger-happy soldiers.

Legal Aid Body Decries Military 'Violence'

*BK0609092695 (Internet) INDONESIA Listserv
in Indonesian 5 Sep 95*

[Press release by the Indonesian Legal Aid Foundation issued in Jakarta on 5 September: "Acts of Violence Committed by Military Personnel Against MPKR Protesters in Front of the General Headquarters of the Republic of Indonesia Police in Jakarta"]

[FBIS Transcribed Text] In view of the acts of violence committed by military personnel against peaceful demonstrators belonging to the Assembly for the Salvation of the People's Sovereignty [MPKR] in front of the General Headquarters of the Republic of Indonesia Police, the Indonesian Legal Aid Foundation would like to make the following points:

First, the demonstration held by the MPKR should have been perceived as an expression of concern over and demand for "equality before the law." The calls by some people for the upholding of the rule of law and the protests against any special treatment for a person who has committed a criminal offense, in this case an insult against a religion, should have been heeded in acknowledgement of the people's growing awareness of the law.

Second, it should be understood that a demonstration held by citizens is a legal means of expressing their aspirations and interests after efforts to hold a dialogue over a complaint has failed and democratic institutions and mechanism have not worked.

Third, the Indonesian Legal Aid Foundation strongly protests the heavy-handed and rough action taken by military personnel against the peaceful and orderly demonstration held by the MPKR. The heavy-handed and rough action against the protesters will only further worsen the record on the restriction of the right of public assembly and protest.

Fourth, the Indonesian Legal Aid Foundation deems it necessary to state that the use of force against peaceful and orderly demonstrations held by citizens will not settle substantive problems. Acts of violence, such as the ones against the MPKR, are not only uncivilized but will also cause uneasiness and insecurity among the people.

Fifth, the Indonesian Legal Aid Foundation urges the commander of the Armed Forces of the Republic of Indonesia to take firm legal measures against military personnel responsible for the acts of violence against the MPKR protesters and openly announce such measures to the public.

The Indonesian Legal Aid Foundation calls for the immediate, unconditional release of an injured protester still in police custody.

Issued by the Indonesian Legal Aid Foundation in Jakarta on 5 September 1995,

Hendardi, director for communication and special programs.

Philippines

Manila Strongly Condemns French Nuclear Test

BK0609085195 Quezon City DZBB Radyo Bisig Bayan in Tagalog 0800 GMT 6 Sep 95

[FBIS Translated Text] The Philippines has strongly condemned France's nuclear test. President Ramos, who is the head of G-77, promised to raise the nuclear testing issue at the United Nations for appropriate action. According to Ramos, the Philippines has exhausted all peaceful means of convincing France to cancel its nuclear tests, but to no avail.

It will be recalled that Ramos filed a formal diplomatic protest against France on the issue. Meanwhile, various groups are expected to hold protest rallies in the country to condemn the French nuclear test.

Senators Protest at Embassy

BK0609043495 Hong Kong AFP in English 0423 GMT 6 Sep 95

[FBIS Transcribed Text] Manila, Sept 6 (AFP) — About 150 people demonstrated outside the French embassy in Manila on Wednesday after Paris announced that it had detonated a nuclear bomb underground in the South Pacific.

"Chirac is the Hitler of the Pacific," read a placard carried by the protesters. Roman Catholic nuns were among the demonstrators. Another banner said: "No. 1 Hiroshima. No. 2 Nagasaki. No. 3 Pacific," read another.

The demonstrators started gathering at a busy street beside the high-rise building which includes the French mission about three hours after the test was carried out at 2130 GMT Tuesday.

Two Philippine senators denounced the Mururoa test. Senate Environment Committee chairman Heherson Alvarez, said he was on his way to join the demonstration.

"Boycott French products. We should hit them where it hurts most," ruling coalition Senator Gloria Arroyo told reporters.

The test was "in complete disregard of the sentiments of the whole world," Arroyo added.

Manila Prepared To End Open Skies Agreement

BK0609054295 Quezon City GMA-7 Radio-Television Arts Network in Tagalog 2230 GMT 5 Sep 95

[FBIS Translated Text] The Philippines is ready to end the open skies air transport agreement with the United States if the United States insists on implementing the open skies agreement in September next year.

Under the open skies agreement, all restrictions on the number of flights of Philippine and U.S. airlines will be lifted. However, local airlines cannot match the U.S. air carriers, hence the Philippine Government is opposing it.

According to Transportation Secretary Jesus Garcia, they are studying steps on how to break away from the open skies agreement with the United States.

[Begin recording, in English] [Unidentified correspondent, in progress] ...if the U.S. insists that we push through with it by September 1996.

[Garcia] That is an option. That's an option that is open to us. Whether we should avail of that option is another matter.

[Unidentified correspondent] But would that do more harm than good?

[Garcia] We have to assess the situation because we cannot really predict the future. We just have to go by precedents and we are looking at other precedents where some countries abrogated their contracts with the U.S. [end recording]

Thailand

Chawalit Says Burma To Sign Border Trade Pact

BK0609080695 Bangkok THAILAND TIMES
in English 6 Sep 95 p A1

[FBIS Transcribed Text] Bangkok — Burmese military intelligence chief Lt-Gen Khin Nyunt will sign border trade and investment agreements during his upcoming visit to Bangkok, Defense Minister Chawalit Yongchaiyut said yesterday.

Gen Chawalit, however, declined to specify the date of Khin Nyunt's visit to Thailand.

Khin Nyunt, also Secretary 1 of the State Law and Order Restoration Council (SLORC) — the military junta that rules Burma — plans to visit Thailand following Chawalit's recent visit to Rangoon aimed at improving bilateral relations recently affected by border conflicts including the recent incident of Burmese fishermen murdered on a Thai trawler.

Khin Nyunt, who will be the guest of Deputy Prime Minister Amnuai Wirawan, will be accompanied by a Burmese team from the Thai-Burmese Border Committee responsible for overseeing the situation along Thai-Burmese border.

Chawalit, also a deputy prime minister, said the delay of Khin Nyunt's visit to Thailand was because of having to await for approval from his superior.

Khin Nyunt's visit, amid strong opposition from Burmese students in Thailand, is expected to occur before the ASEAN Summit in Thailand in December.

The defense minister said Thailand has invited him several times but he had always refused.

Chawalit added Thailand now is making friends with all neighboring countries, claiming it is out-of-date to make enemies of one another.

Meanwhile, a source from the defense ministry said Chawalit yesterday called an urgent meeting of agencies concerned, including the National Security Council, the army and the Supreme Command Headquarters, to discuss solutions for disputes along the Thai-Burma border.

The source added Chawalit also ordered assistant army chief Gen Chettha Thanacharo to urge the Thai team of joint-border committee to coordinate with the Burmese

team to settle various conflicts including border demarcation and the construction the of the Friendship Bridge between Mae Sot and Myawadi.

Australian Trade Minister Arrives To Hold Talks

BK0309133295 Melbourne Radio Australia
in English 1100 GMT 3 Sep 95

[FBIS Transcribed Text] The Australian Trade Minister Bob McMullan says the volume of trade between Australia and Thailand is encouraging, but it should be greater. Senator McMullan was speaking after his arrival in Bangkok as part of the tour of the region. He'll talk with Thai Government and business leaders and he's expected to promote Australia as a source of high technology products and services and as a reliable supplier of goods and expertise required for Thailand's rapid economic expansion.

An Australian Embassy spokesman said Sen. McMullan will also discuss a range of matters of bilateral interests, including further trade liberalization. Sen. McMullan, who is to leave for Vietnam on Tuesday [5 September], had already visited Singapore and Malaysia on his tour.

Urges Cuts in Tariff Levels

BK0609084795 Bangkok BANGKOK POST
in English 6 Sep 95 p 15

[FBIS Transcribed Text] Australia has told the Government of its concerns about tariff levels and laws in Thailand.

"Thai tariff levels are high across the board. We would welcome a coming down in these levels, a reform of the tariff regime," Australian Trade Minister Bob McMullan told a press conference in Bangkok yesterday.

Mr McMullan's visit, the first by an Australian minister since the Banhan Sinlapa-acha Administration took office in July, is aimed at preserving continuity in Thai-Australian relations.

Australia would like to see lower duties on processed foods and vehicles, he said.

He also raised the issue of the Alien Business Law with Mr Banhan and Finance Minister Surakiat Sathianthai, whom he met on Monday.

It would be desirable to have a situation in which "lawyers and engineers from Australia were able to exercise their skills here," he said. While the Australians welcomed the opening up of the banking and insurance sectors, they would like to see more changes.

The Thais had raised the issue of quarantine for fruit and chicken products, which he described as "difficult

issues". He said the commitments made to the World Trade Organisation on this matter would be kept.

Despite such issues, "Thailand is a good place to do business," Mr McMullan said.

Trade between Thailand and Australia last year was worth A\$3 billion (US\$2.25 billion), with the balance in Australia's favour.

Given Thailand's strong economic growth and its links to Indochina, Mr McMullan said he expected the fastest increase in Australian investment to take place in this country, although not the biggest in volume terms.

Trade between the two countries has been growing at an annual rate of 20 percent.

Australian investment in Thailand "could be better," but is expected to receive a fillip this year when the Board of Trade approves projects, mainly in the manufacturing sector, according to Mr McMullan.

There have been some Australian applicants for insurance licences, in addition to interest in the Independent Power Producers [IPP] programme, for which several Australian proposals have been submitted.

With some of the IPP projects being coal-based, Australia expects to emerge as the major supplier of coal to Thailand as soon as there is an increase in power production.

On dialogue between the ASEAN Free Trade Area group and the Closer Economic Relations pact between Australia and New Zealand, he said: "It is significant that the first round of discussions is taking place at all. I do not expect it to be a transforming relationship, but a start in the process."

Banhan Promises Accelerated Cuts

BK0509083495 Bangkok MATICHON in Thai
5 Sep 95 p 12

[FBIS Translated Text] Australian Trade Minister Bob McMullan paid a courtesy call on Prime Minister Banhan Sinlapa-acha at the Government House on 4 September. During the meeting, the Australian trade minister invited Banhan for an official visit to Australia. Banhan accepted the invitation in principle. The two sides also discussed amendments to the Thai Alien Business Law and the Immigration Law as well as tariff reductions. Australian businessmen are interested in these issues. Prime Minister Banhan told the Australian trade minister that the Thai Government is accelerating those amendments.

'Breakthrough' Expected on SRV Boundary Talks

BK0509062795 Bangkok BANGKOK POST (INSIDE INDOCHINA Supplement) in English 5 Sep 95 p 1

[Report from Phatthaya by Phanrawi Tansuphaphon: "Thailand and Vietnam Closer To Settling Sea Boundary"]

[FBIS Transcribed Text] Thailand's longstanding attempts to settle international boundaries in the Gulf of Thailand appear on the verge of a breakthrough.

If progress in the sixth round of talks on the issue is any guide, Vietnam this year will become the first nation to agree to the Thai proposal of dividing the claimed area, instead of resorting to joint development.

Thailand, Vietnam and Cambodia have claims overlapping about 14,028 square kilometres in the Gulf.

Thai delegates were anticipating a breakthrough before they met Vietnamese counterparts in talks which ended on Wednesday in Phatthaya.

However, the Vietnamese delegates said some technical problems warranted another round of talks — expected to be final— which will take place at Ha Long Bay in northern Quang Ninh province, Vietnam.

"We can be very optimistic now both sides approach the issue with a new spirit of trust and confidence," Thai delegation leader Krit Kanchanakunchon said after the three-day meeting. He is director-general of the Foreign Ministry's Department of Treaties and Legal Affairs.

His Vietnamese counterpart, Nguyen Qui Binh, was also upbeat: "We are now confident about each other. Negotiations proceeded in a positive, friendly atmosphere."

The two sides agreed to use Tho Chu island off the Vietnamese coast as a reference point for future efforts to delimit the border. When they meet next, Thai and Vietnamese officials will consider the implications of using the 1982 United Nations Convention on the Law of the Sea as a basis.

They will jointly assess the scope of their border settlement and the population density of Tho Chu island.

Thailand's territorial waters overlap those of Malaysia, Vietnam and Cambodia.

Vietnam is the only country which has consented to settling the maritime border with Thailand. Cambodia wants to follow the Thai-Malaysian model of a joint development area.

The Thai-Malaysian pact covering 7,250 square kilometres in the South China Sea emerged from more than 10 years of talks.

Krit said joint development area negotiations were time-consuming as they involved sharing of benefits from undersea resources.

"Now we face a difficult task of having to look ahead over 50 years at joint development cooperation between Thailand and Malaysia," he said.

Thailand's claims over 6,500 square kilometres in the Gulf overlap those of Vietnam; and claims over 34,034 square kilometres coincide with Cambodia's.

Cambodia and Vietnam have overlapping claims covering 64,119 square kilometres.

Bangkok and Hanoi began talks on settling their maritime border in 1993.

Early this year Vietnam dropped its call for joint development and agreed to work on settling the border, Thailand's priority.

Observers said Vietnam compromised in exchange for Thai support for its ASEAN membership bid. Vietnam became the seventh member of the Association of Southeast Asia Nations on July 28.

According to a Foreign Ministry press release, the latest meeting in Phatthaya was held in an atmosphere of close and cordial friendship "reflecting the new era of relations between both countries as members of the ASEAN family".

The two countries were able to understand each other's position better, even though views diverged on certain technical aspects, it said.

While the problem of overlapping claims between Thailand and Vietnam appears close to settlement, Bangkok and Phnom Penh held their first round of talks on their maritime border in July.

"Discussion with Cambodia will take a long time owing to the nature of benefit-sharing under the joint development arrangement," a source close to the issue said.

Thailand wants Cambodia to settle the border, but Phnom Penh favours joint development. The two countries plan to hold their second meeting on the issue in Phnom Penh.

Foreign Minister's Cambodia Trip Reviewed

*BK0609092395 Bangkok BANGKOK POST
in English 6 Sep 95 p 4*

[Article by Nutsara Thaithawat and Saridet Marukathat]

[FBIS Transcribed Text] No formal agreements were signed during the weekend visit to Cambodia by Foreign Minister Kasemsamoson Kasemsi, but there was clearly

a lot of goodwill and political determination on both sides to put bilateral relations on the right track.

Cambodian Foreign Minister Ing Huot praised the decision by newly appointed M.R. Kasemsamoson to visit Cambodia first among Thailand's neighbours. He said it was seen as Thailand giving "special attention" to his country.

First Cambodian Prime Minister Prince Norodom Ranariddh also made a point of saying he was "quite happy" with the state of bilateral relations and to reassure Thai investors they would be given "special attention" in Cambodia.

Such a statement from the prince is rare. In the past he has not hesitated in criticising Thailand and, since the failed coup in July last year in which Thai nationals were implicated, has left Cambodian-Thai relations to Second Prime Minister Hun Sen.

In the meantime he has concentrated on relations with Cambodia's other big neighbour, Vietnam, and Malaysia.

M.R. Kasemsamoson reassured his Cambodian hosts the new Banhan Sinlapa-acha administration would pursue the same policy as its predecessor in not supporting the Khmer Rouge or any other rebel groups.

He expressed Thailand's readiness and willingness to help with Cambodia's rehabilitation and restructure after two decades of war, as evidenced by the recent establishment of the Indochina Fund worth 5 billion baht to provide soft loans for development in neighbouring countries and the Exim Bank scheme to promote Thai investment in the agricultural and tourism sectors in the region.

"We're in a position to help our neighbouring countries, and their prosperity means stability and prosperity for Thailand. We're like brothers, and their problems will inevitably affect us," he said.

M.R. Kasemsamoson also contributed 100 tons of rice to King Sihanouk to help Cambodian flood victims.

Besides the welcome ceremonies and sweet words, M.R. Kasemsamoson was seated side by side with both Cambodian prime ministers during his courtesy call and was a guest of King Sihanouk and Queen Monineath for lunch on Monday — privileges denied his predecessor Dr Krasae Chanawong.

Both sides were well aware of past problems and misunderstandings, lingering feelings of mistrust, and a tough future agenda, especially in launching a formal border mechanism and the settlement of overlapping claims in the Gulf of Thailand.

The establishment of a formal mechanism to deal with problems along the 824-kilometre common border, the primary cause of misunderstanding between the two neighbours, has been slow and not at all easy.

The first Thai-Cambodian Joint Commission meeting in Phnom Penh in May agreed on the principle to set up a three-tier border mechanism at the local, regional and national levels. A follow-up meeting of experts was held last month, also in the Cambodian capital, but was able only to record limited progress.

M.R. Kasemsamoson said Cambodia would have to work out its military structure before the mechanism could be launched officially.

The forthcoming visit to Cambodia by Deputy Prime Minister and Defence Minister Gen Chawalit Yongchaiyut, who has close ties with Cambodian military leaders since his time as army chief, is expected to speed up the process.

A Thai military source in Phnom Penh said the talks were slow because of the continuing restructure of the Cambodian army.

"It's difficult to identify the Cambodian counterparts to the Thai agencies and officers at all three levels of the border mechanism," he said.

A source at the Cambodian Foreign Ministry also said it took time because his ministry had to explain to the military that the mechanism was not a military undertaking but an inter-ministerial one involving all government agencies with border responsibilities — the Interior Ministry for immigration matters and the Finance Ministry for customs collection, among others.

"The military thought they would be responsible not only for security issues, but also cross-border trade," said the source.

"It took a lot of explaining and tact in telling the military to follow the government's policies and not to dictate. But now they understand and that's why we could hold the meeting last month."

Technical details are being finalised, also slowly, to open two permanent border checkpoints in Thailand's Sa Kaeo and Trat provinces opposite Cambodia's Banteay Meanchey and Koh Kong provinces respectively.

This is again because of the continuing reform of the Cambodian administration.

Prince Ranariddh said Poi Pet in Banteay Meanchey Province was the most important trading point between the two countries.

An estimated 500 million baht in goods cross the border both ways each month. Those flowing from Thailand are

mainly construction materials, consumer products and food supplies.

In addition to the huge business interests, both countries feel the opening of permanent checkpoints will ensure the safety of people living in border areas from attack by armed bandits.

M.R. Kasemsamoson, who played a key role in engineering and administering the Malaysia-Thailand Joint Authority, said Thailand supported the joint development of overlapping claims with Cambodia, but stressed the importance of delimitation in order to determine the size of the joint development area.

The smaller the better, he said, is the most effective and realistic plan for the two countries.

Two rounds of talks have been held this year and a third is expected before December. Progress has been slow because of the lack of human resources on the Cambodian side and their apparent rush to enter into a joint development deal which covers only petroleum resources. Thailand, on the other hand, is aiming for delimitation.

Prince Ranariddh said the talks on joint development were "quite good" and should continue.

"They will be successful as both sides have already agreed on joint development. Later we can talk about delimitation," he told BANGKOK POST.

All seemed to have gone well, except maybe for a move in the wrong direction by seasoned diplomat M.R. Kasemsamoson in mentioning to both prime ministers two very controversial Thai investments in Cambodia: the Floating Hotel and International Broadcasting Corporation (IBC) (Cambodia).

M.R. Kasemsamoson told reporters afterwards he had obtained assurances that the Cambodian Cabinet would look into both cases.

But a senior Cambodian official asked: "How can the Thai Government protect illegal investments in Cambodia?"

The Floating Hotel operated without a formal contract, enjoying the protection of an influential Cambodian personality.

It angered many Cambodians by setting anchor at Chatomuk Hall, a perfect location for a hotel being at the junction of four rivers in Phnom Penh, but the land belonged to the Royal Palace.

As for IBC Cambodia, it obtained a 99-year deal from the former State of Cambodia, to operate the country's

first private television station, but did not formalise the necessary contract with the Ministry of Information.

Since 1993, it has used part of the Borei Keila station, which belongs to the Ministry of Education, Youth and Sports, to house its station also without a formal contract.

Other than mentioning the Floating and IBC Cambodia, all seems to have gone well and the visit has set the stage for a realistic strengthening of relations.

During an interview with BANGKOK POST, Prince Ranariddh urged the two sides to look to the future, especially during these times of closer regional integration through the expansion of the Association of Southeast Asian Nations and the Greater Mekong Sub-regional Economic Cooperation scheme.

"We're neighbours, we're like a married couple and it can't be a honeymoon all the time," he said

ASEAN Discussion of Free Trade Area Viewed

*BK0509070295 Bangkok BUSINESS DAY in English
5 Sep 95 p 4*

[Editorial: "Accelerating ASEAN's Bold Drive Towards Free Trade"]

[FBIS Transcribed Text] ASEAN's economic ministers are meeting in Brunei from tomorrow to decide whether or not to speed up the creation of an ASEAN Free Trade Area (AFTA). The proposal to accelerate the introduction of free trade came from Sultan Hassanal Bolkiah of Brunei, who has put forth 2000 as the target date, three years earlier than the target date set last year.

Sultan Hassanal Bolkiah's bold initiative deserves to be enthusiastically endorsed by all ASEAN members. The ASEAN region has already distinguished itself as the most economically dynamic part of the world, and free trade will add more momentum to the progress being made.

Taken as a trading unit ASEAN economies already rank fourth in the world. Only the United States, the European Union and Japan surpass ASEAN in terms of trade. ASEAN's trade with the rest of the world reached \$543 billion in 1994, an increase of 21 percent from the previous year. Trading among ASEAN members showed an even more impressive rate of growth, rising by 24 percent to \$110 billion from 1993 to 1994.

In accelerating the pace of progress towards an era of free trade, it is advisable to be sensitive to the legitimate concerns and needs of certain ASEAN economies which are not at the same stage of economic competitiveness and strength as the other members. In particular, Indone-

sia and the Philippines are entitled to certain accommodations — through exclusion lists or other methods — provided that genuine efforts and measurable progress are being made to liberalize protected industries. Singapore, Brunei, Thailand and Malaysia can set the pace towards free trade. Vietnam, the new member, has already been granted a grace period of three years.

Also at issue are "sensitive commodities" — rice, palm oil, tobacco, coconuts, coffee and cocoa. The problem to be addressed has to do with the pace of liberalization. Here too, the spirit of compromise and accommodation which has been the hallmark of ASEAN co-operation should prevail and, to the extent that a fast-track liberalization process may be harmful, adjustments should be allowed in individual cases.

Each country will come up with its own exclusion lists. Thailand's list is expected to include about 145 products — not a long list considering the total picture. Thus Thailand has already demonstrated its sincere desire to usher in the new era of free trade. The exclusion list should be a tool of last resort, and all ASEAN members should co-operate by putting the fewest possible items on the exclusion list.

ASEAN's spirit of achievement and co-operation will undoubtedly triumph again at this week's meeting, and with 2000 as the new target date, we have every reason to feel confident and optimistic.

Banhan Says Investor Confidence To Return

*BK0609042395 Bangkok BANGKOK POST
in English 6 Sep 95 p 1*

[FBIS Transcribed Text] Investors' confidence in Thailand will return quickly as the Government is well consolidated and the Cabinet is doing its best, according to Prime Minister Banhan Sinlapa-acha.

"The Government has some achievements after little more than a month in office, especially to solve the country's problems and people's hardship," he said following a cabinet meeting yesterday.

"For instance, today the Cabinet approved the 1.1 million telephone line project and the Expressway and Rapid Transit Authority of Thailand's Bang Pun-Bang Sai expressway project."

He said there was nothing to worry about in the country's economy.

Improvement of the economy required huge investment. Planned spending on the Bang Pun-Bang Sai expressway, the bridges from Boromratchachonnani Road at Arun Amarin intersection to Taling Chan and extension of the Don Muang tollway would improve the economy.

Spending of the national budget, suspended for the election period, had resumed. The 1996 budget would soon be approved with projects expected to start in December, he said.

The overall economic situation would return to normal when everything was carried out, Mr Banhan claimed.

He denied the Government was responsible for the constant drop in the Thai share market index and the value of the baht as the decline must have begun three or four months ago.

The drop in the SET [Stock Exchange of Thailand] index alone did not mean investors lacked confidence in the economy or the Government's handling of financial and economic matters, he said.

The Finance Ministry and the Bank of Thailand told him the investment climate was generally satisfactory and exports were favourable.

Mr Banhan said he had invited Thai Bankers Association representatives to discuss the financial situation tomorrow. They would be asked to provide recommendations.

He said figures given by many agencies, including the Bank of Thailand, the National Economic and Social Development Board and the Budget Bureau indicated that inflation was 5-5.1 per cent. An assumption that inflation was 5.8 per cent must have been calculated differently.

Economic Council Approves Anti-Inflation Measures

*BK0509072795 Bangkok THAILAND TIMES
in English 5 Sep 95 p 1*

[FBIS Transcribed Text] Bangkok — Duty and quota measures have been approved by the Economic Cabinet Council to tackle the rising prices of goods and the country's inflation rate, Deputy Prime Minister Amnuai Wirawan stated yesterday.

Amnuai said one way to deal with the present price levels is to reduce the import duty on goods imported by the animal feed industry.

"After the import duty is reduced on animal feed, farmers' production costs will fall and price rises will be reversed," he explained.

Amnuai said the Commerce Ministry and Food Policy Committee will deal with an insufficient supply of raw materials to the animal feed industry.

He added a quota measure will also be implemented to solve the problem of rising prices.

"The quota will be adjusted permitting an additional 55,000 tons of soybean and 250,000-300,000 tons of soybean cake to be imported," he said.

Amnuai said the Commerce Ministry will also keep a close eye on other raw materials used within the animal feed industry, such as corn, fish meal and broken rice.

The consumer price index (CPI) for January-July increased by 5.2 percent, higher than the same period of the previous year. The price of dry goods increased by 7.3 percent, fruits and vegetables by 11.9 and meat by 9.8 percent.

The price rise was due to insufficient raw materials and the closure of a number of companies.

Regarding the news stating August's inflation figure reached 6.2 percent, Amnuai said he had yet to receive confirmation of the figure.

"I have not received a report on the issue by the Business Economics Department. However, the rate of inflation during the months of August-September is always higher," he explained.

Amnuai said he had urged the Bank of Thailand (BOT), to launch measures to absorb liquidity and slow down the credit extension of the commercial banks.

"The measures will help solve the current level of inflationary pressure," he stated.

Finance Minister Surakiat Sathianthai said he was closely following the causes of inflationary pressure.

"Many prime factors caused the rate of inflation in August to rise to 6.2 percent. However, I am fully confident the present financial and fiscal measures will help reduce inflation to 5.2 percent," he added.

Phisan Manolihakun, managing director of the Thai Farmers Research Center Ltd (TFRC), said August's 6.2 percent inflation rate was higher than expected.

"One of the major factors causing the rise is the recent floods which have had an affect on the economy. Inflation is expected to rise again in September because the flood problem in many areas has yet to be solved," he said.

Phisan said inflation for October-December this year is expected to fall to approximately 3-4 percent, as in last year, or slightly higher again due to the severe flooding of certain areas.

"The average rate of inflation for the whole year is expected to be around the 5.2-5.3 percent mark. It will not reach six percent," he declared.

High-Profile Members for Drug Probe Committee

*BK0409040495 Bangkok THE NATION in English
4 Sep 95 pp A1, A8*

[Report by Rattanawali Mahaphonsirikun]

[FBIS Transcribed Text] The top anti-narcotics officer, the police chief, the attorney general and the permanent secretary for foreign affairs are tipped to become members of a government committee to investigate U.S. drug charges against senior Thai politicians.

An informed source said yesterday results of the committee's findings would be forwarded to Washington, which has refused to cooperate in the probe.

Charan Phakdithanakun, secretary-general of the Judicial Affairs Division, had been instructed by the government to propose the committee's composition, according to the source, who asked not to be named.

Contacted by The Nation yesterday, Charan said he was considering whether the panel should work under Parliament or the executive branch.

"I hope I can make a final recommendation to the government on Monday (today)," he said.

The source said Prime Minister Banhan Sinlapa-acha wanted the committee to look as reliable and respectable as possible.

The suggested membership included the chief of the Office of the Narcotics Control Board, the police chief, the attorney general, the permanent secretary for foreign affairs, and the chief of the Police Department's narcotics bureau.

"Some of the senior officials have been approached by the prime minister's men," the source said.

The United States recently balked at a Thai request for more evidence, possibly in the form of a joint inquiry. Its Bangkok embassy cited laws protecting intelligence sources.

Opposition MPs have said a unilateral inquiry would serve no purpose because the senior Chat Thai politicians who were denied visas to the United States on grounds of suspected drug links, Watthana Atsawahem and Narong Wongwan, would still face the U.S. ban.

The source said results of the high-level inquiry would be "officially" passed to the United States.

Wirasak Khosurat, deputy secretary general to the prime minister, yesterday insisted that the unilateral inquiry was "necessary", and denied that it was designed to "whitewash" the accused so that they could assume Cabinet posts.

Ministers Comment on Upcoming Military Reshuffle

*BK0209111095 Bangkok BANGKOK POST
in English 2 Sep 95 pp 1, 3*

[FBIS Transcribed Text] Involvement by military officers in the Black May tragedy is one of the criteria being used to determine the promotion of officers in the upcoming reshuffle, said Defence Minister Chawalit Yongchaiyut yesterday.

His statement indicated that the officers allegedly responsible for the tragic incident including Gen Chainarong Nunphakdi, faced the risk of having their names deleted from the promotion list.

Gen Chainarong is currently chief of the army commander's staff officers.

According to earlier media speculation, the young general who has already made rapid advances in his military career, was tipped to take the post of assistant army commander.

Many people and pro-democracy groups have opposed the "anticipated" promotion of Gen Chainarong, however, condemning him for allegedly commanding army troops which opened fire on the prodemocracy demonstrators during the 1992 Black May tragedy.

Gen Chawalit, speaking in Rangoon yesterday after arriving in Burma for a two-day official visit, gave his personal assurance that he would heed the wishes of the people while deciding the reshuffle list.

The people know best what happened during the May incident.

The ministry and armed forces will give weight to seniority in deciding who should be included in the shake-up.

Capability alone is not enough, he added.

Prominent ministers have failed to spell out whether or not they would agree to Gen Chainarong Nunphakdi being promoted to a higher position in the Army.

Deputy Prime Minister Thaksin Chinnawat said the army reshuffle should not go against the sentiment of the people, adding, however, that the people should also be fair in allowing the officer to put forward his side of the story.

People should understand that officers are duty-bound to follow the orders that their superiors have handed down.

The Army should explain the reshuffle to the people in case there is public doubt as to the suitability of the officers to be promoted.

Mr Thaksin reserved his comment on a report that there was strong evidence to back the allegation that Gen Chainarong had supervised the shooting of demonstrators in the Black May tragedy.

Mr Thaksin said he had not seen the evidence and that it would therefore be dangerous and inappropriate to comment on the matter.

"I want to see the Army explain the matter to clear up any doubts.

"The Army could say the officers involved in the tragic incident were only performing their duty as instructed by their commanders, or, that they meant no harm to the demonstrators," said Mr Thaksin, adding he foresaw no problem if the Army could provide an explanation which was acceptable to the people.

The deputy prime minister agreed with suggestions from various interest groups that the contents of the White Paper containing an investigation report into the Black May tragedy should be revealed.

In a democratic system, people deserve to be informed about the facts behind such events.

He confirmed the Phalang Tham Party (PDP) stance on the issue, saying the party had made it clear from the beginning that it wanted to see all sides concerned treated with fairness.

PDP founder Maj-Gen Chamlong Simuang was among the protest leaders who spearheaded the peoples' movement during the May '92 uprising.

The unarmed movement was eventually fired on by military troops which resulted in many casualties.

Many PDP supporters have called on the party to boycott the reshuffle if Gen Chainarong is likely to be promoted.

Mr Thaksin said he believed the reshuffle list would not disappoint the people and that the issue was unlikely to develop into a major problem.

The deputy prime minister maintained that he would keep clear of the reshuffle issue.

He expressed confidence that Defence Minister Gen Chawalit Yongchaiyut would carefully consider the military reshuffle.

Meanwhile, Deputy Prime Minister Samak Sunthorawet said the people should put the past behind them as the May '92 incident was over and done with.

He disagreed with the call to disclose the White Paper, saying it was unnecessary to publicise the document's contents.

He assured that the relationship between the Army and the Government was still on a smooth track.

The outspoken minister blamed the mass media for publishing what he claimed was a false report relating to the military shake-up.

"The Government isn't worried, so why should you media people have anything to worry about?" asked Mr Samak rhetorically.

He said the media should stop trying to make news out of the reshuffle and claimed all the hype over it would die down if the issue wasn't brought to the peoples' attention so much.

Article Views Army Criticism of Government

*BK0309063395 Bangkok BANGKOK POST
in English 2 Sep 95 p 5*

[Article by POST Reporters: "Government Finds Going Tough in Dealings With Army"]

[FBIS Transcribed Text] Last month's Army radio programme attacking the Government's failure to control essential goods prices added to political tensions, coming hot on the heels as it did on reports the Government might object to the army proposal to name Gen Chainarong Nunphakdi the new assistant commander-in-chief.

The radio commentary written by Chamnong Thepsawat, a civilian working with the Army's Internal Security Operations Command, was aired on army-controlled radio nationwide.

The commentary stated in its last paragraph that if the problem of high prices could not be tackled effectively then it might be time for a "social manager with valour" and a "social administrator with power" to come out and "introduce impartiality to society".

It was this last paragraph which surprised cabinet members, including Defence Minister Gen Chawalit Yongchaiyut who said the comments had been improper as the programme had been aired on army radio and this might confuse the public.

Two weeks earlier, a prominent columnist in ARMY NEWS newspaper using the pen-name "Lt-Col Thatthiam Yiamnakhon" wrote he had doubts about the Government's sincerity in bringing about political reform through the 35-member Political Reform Committee led by Prime Minister Banhan Sinlapa-acha's brother, Chumphon Sinlapa-acha.

The columnist ridiculed the committee saying it was given a job which everyone knew was impossible

because "it was a case of taking away power from the powerful by those lacking in power".

After the SAYAMMANUTSATI programme was aired on army radio, some cabinet members linked the two commentaries saying they were intended to discredit the Government and warn it against interfering in the Army's proposed reshuffle list.

This followed reports Gen Chainarong, who is connected closely to the defunct National Peace-keeping Council [NPKC] and presently head of the Army Commander's staff officers, would be appointed by Gen Wimon Wongwanit to a key position with the Army.

Gen Wimon was reportedly very upset by the reports in papers such as BANGKOK POST, condemning them for trying to confuse the public through sensationalism.

"It's quite clear the papers' reports were politically motivated with the aim of blocking Gen Chainarong from being promoted in the coming army reshuffle," one senior army officer charged.

"The criticism in Army News and critical comments on the radio programme are unrelated, but some people are trying to link them together. The most important thing is that the Defence Minister has not yet received the reshuffle lists from the Armed Forces," he said.

Army assistant chief-of-staff for civilian affairs and a former classmate of Gen Chainarong, Lt Gen Chaturit Phromsakha Na Sakhon Nakorn, came forward to apologise for the radio commentary as the person directly in charge of such programmes.

He also denied reports the commentary stemmed from a rift between the Government and Army.

"It's still too soon to make such a conclusion," said another senior military officer. "But it is no secret the military might be unhappy with the composition of the present coalition because some cabinet members are below standard."

The officer said people should not exaggerate developments as this will only confuse the public.

"It would be totally out of touch with reality to conclude the Army is in sharp conflict with the Government and is awaiting the opportunity to stage another coup."

But the question remains why the calls for a "social manager with valour" and a "social administrator with power" were aired on all army radio stations at the same time.

If Gen Chainarong is not to be made assistant army chief, putting him very much in line for the top post, then why not just deny the reports?

The reason can only be that he is being proposed for the key post.

Army sources have confirmed Army Commander Gen Wimon will make Gen Chainarong the new assistant army commander replacing Gen Chettha Thanacharo, who is tipped to become the new deputy army commander.

Gen Chettha is due to retire in 1998 and Gen Chainarong a year later.

Gen Chainarong was removed from the post of First Army Region commander after the May 1992 incident when pro-democracy advocates demonstrating against then prime minister Gen Suchinda Khraprayun were fired upon and beaten by the army. Gen Itsaraphong Nunphakdi, Gen Chainarong's close relative, was army chief at the time.

Three former leading members of the NPKC removed at the same time are then Air Force Commander ACM Kaset Rotchananin, army commander Gen Itsaraphong and his deputy, Gen Wirot Saengsanit. Gen Wirot is now deputy permanent secretary for defence and is tipped to become the new permanent secretary.

Gen Chainarong was shifted to the Institute of Army Academics, where he became the commander.

But Gen Wimon shocked military observers last April by moving him from the institute to head his staff officers, a four-star general position.

The move was interpreted by observers as indicating Gen Chainarong was being prepared for promotion to a key post.

"There should be no doubt whether Gen Wimon will pick him to replace Gen Chettha," said one general. "If there is no change at the upper level then Gen Chainarong will certainly become the new army assistant commander."

Another senior officer tipped to be namesistant commander is Gen Narunat Kampanatsaenyakon, a former military attache to England when Gen Wimon was attending a military course there.

Many military observers cannot understand how a senior officer tainted by the bloody May 1992 incident could be picked for promotion by Gen Wimon while two other leading army officers, Gen Kittti Rattanachaya and Gen Thawan Sawangphan, both known for their ability and support for democracy, are being overlooked for promotion.

Gen Wimon might have forgotten it was the May 1992 incident which helped further his career. At the time he

had been removed from the army to serve as deputy supreme commander, but after the incident he replaced Gen Itsaraphong as the army commander.

Gen Thawan is a former army assistant chief-of-staff for intelligence while Gen Kittu is a former Fourth Army Region commander.

Gen Kittu, who was moved to an inactive post last year, is another democratically minded officer who publicly voiced his frustration over the crackdown in May 1992 while he was then controlling the southern army.

It remains to be seen whether Prime Minister Banhan Sinlapa-acha will keep his word to look into the matter and consider the public's feelings if officers involved in the May crackdown are promoted in the coming reshuffle.

We can only wait and see if the rift between the Army and Government widens if the Premier decides not to back Gen Wimon over his proposed reshuffle list?

Editorial Views Law and Order Issue

BK0309163595 Bangkok THE SUNDAY NATION
in English 3 Sep 95 p A 4

[Editorial: "Law and Order: A feeling of Complete Hopelessness?"]

[FBIS Transcribed Text] It takes night owls to notice that bustling entertainment places along Ratchadaphisek Road and others no longer close at two in the morning according to the law.

There have also been more bank robberies and acts of violent crime recently.

So what have these got to do with the forthcoming reshuffle at the Police Department, the proposed setting up of the Police Ministry, the role of the prime minister who is concurrently the interior minister and the turn for the worse in the general political situation?

The general deterioration in the country's law and order started when the Chuan administration acted as a caretaker government in the period prior to the July elections. An earlier directive that all entertainment places were to close at 2.00 am was blatantly ignored. Discos and cocktail lounges stretched their opening hours to 5.00 am and local police turned a blind eye.

With the new Chat Thai-led coalition taking power after July, it was expected that there would be some semblance of order, with the police carrying out their duties to curb the rising crime rate.

But no. Such all night partying seems to have become a permanent feature, despite the fact that the Banhan government has been running the country for the past

two months. Worse still there is anecdotal evidence that certain commanders are on the take, in areas where the entertainment places are allowed to openly flout the 2.00 am regulation.

General Crime Situation

Leaving entertainment places aside, let us move on to the general crime situation in the country. One gets the impression here that the Police Department now has adopted a lackadaisical attitude in maintaining law and order.

The lawlessness, on the one hand, has everything to do with politics and mismanagement.

Right now, Banhan Sinlapa-acha is trying to prove himself a political maverick by holding dual posts as prime minister and interior minister. But this political expediency is being carried out at a serious social cost to the country.

The headache of being prime minister is just too much for him to handle, and when confronted with irregularities in the Police Department, in his capacity as interior minister, he tends to brush them off. In the prime minister's eyes everything is in order at the Interior Ministry, as he tries to divert attention to other topics.

Towards this end, the press too has to be blamed for allowing themselves to be swayed by the premier, instead of highlighting all the shortcomings as a result of holding two key ministerial portfolios.

Banhan has lately proposed the setting up of a Police Ministry. This structural change will be monumental and if executed properly, will mean key changes in the hierarchy of command in the Police Department and the way officers carry out their duties.

But setting up a Police Ministry is easier said than done. Right now it seems that factionalism within the Police Department has reared its ugly head and the squabbles over the police reshuffle list are clear evidence of that. Competent crime busters have been passed over in favour of those with political links to the government of the day. The overriding question is: would high-ranking police officers want to come under the control of a minister?

The reshuffle of senior police officers has been completed and it is now the turn of the lower-ranking officers. And it seems there is some jockeying around in the Police Department to get the attention of these senior officers, so that the juniors can climb up the ladder. Professional capabilities most of the time do not count, and it is a case of whether the junior officer will do the senior's bidding to stay in power.

Currying Favour

It's no wonder then that scant attention is being paid to keeping law and order because currying favour seems to be the main preoccupation of many officers in the Police Department.

The lack of firmness among higher authorities in the Interior Ministry over the vote-buying case in Buriram is also a strong cause for concern. There is a general feeling that the good work of certain police officers often does not amount to anything when implicated politicians are able to get away scotfree.

No improvement can be expected in the Police Department unless and until the top-level officials and the government start to seriously initiate efforts to improve the quality, incentive and working conditions of the junior officers. This is a top-down affair that needs serious consideration. Real reform can only begin at the grass roots, where between 170,000-180,000 police officers are active nationwide.

The ministers in Banhan's Cabinet clearly acknowledge they have a poor image in the eyes of the public, and want a longer honeymoon period in order to prove themselves. Image is one thing but managing the country is another. Incompetence cannot be hidden and, towards that end, the Banhan government must not fool itself.

Vietnam**Former President George Bush Visits Hanoi****Meets With Vo Van Kiet**

BK0609033495 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 5 Sep 95

[FBIS Translated Text] Prime Minister Vo Van Kiet on 5 September received visiting former U.S. President George Bush at his office in Hanoi. The Prime Minister highly praised the former U.S. President's efforts and contributions to the normalization of relations between Vietnam and the United States in the past and presently.

The Vietnamese prime minister held that the normalization of Vietnam-U.S. relations conformed to the interest of the two peoples and of peace, friendship, and development in the region and the rest of the world. The Prime Minister asserted that the Vietnamese Government and people have cooperated and will continue to cooperate with the United States on the MIA issue. He expressed hope that the U.S. Government will do the same to help Vietnam resolve the problem of Vietnamese missing in action. He hoped that Mr. Bush, with his prestige, would help the American people to pro-

foundly understand Vietnam's unswerving policy on the MIA issue.

The former U.S. President expressed his pleasure at the rapid development of the Vietnam-U.S. relations marked by the recent official establishment of diplomatic relations. He asserted his support for President Bill Clinton's foreign policy on strengthening relations with Vietnam, including granting Vietnam most favored nation status. Mr. George Bush completely supported the Vietnamese Government policy on shutting the past and looking toward the future to build long-term friendship and cooperation between the two countries. He expressed hope that both sides will continue to do their best to resolve the remaining problems. Regarding the MIA issue, the former U.S. President highly appreciated Vietnam's positive cooperation with the U.S. Government in this field. He hoped that the establishment of diplomatic relations between the United States and Vietnam would open a new chapter in bilateral relations, and that in the days ahead, the United States would become the largest trading partner and investor in Vietnam.

Holds Talks With President

BK0609045095 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 5 Sep 95

[FBIS Translated Text] At the Presidential Palace in Hanoi on 5 September, President Le Duc Anh received former U.S. President George Bush who is currently on a visit to Vietnam.

The former U.S. President welcomed Vietnam's full membership to ASEAN and said there are favorable conditions for stable cooperation in the Asia-Pacific region, and positive contributions to the gradual development of friendly and cooperative U.S.-Vietnam relations especially in the economic, trade, and scientific- technological domains.

President Le Duc Anh welcomed Mr. Bush's visit to Vietnam. He thanked the former U.S. President for his goodwill and kind words for Vietnam. He hoped that after this visit and with his prestige, Mr. Bush would make further contributions to promoting U.S.-Vietnam friendship and cooperation in the economic, scientific- technological, and training fields, thereby concretely contributing to building an equal relationship between nations for peace, stability, and development in Southeast Asia and the rest of the world.

Meets With Foreign Minister

BK0509152595 Hanoi VNA in English 1506 GMT 5 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 5—Foreign Minister Nguyen Manh Cam received here today former

US President George Bush now on an unofficial four-day visit to Vietnam.

Present at the reception were Trade Minister Le Van Triet, General Governor of the State Bank Cao Si Kiem, President of the Vietnam Chamber of Commerce and Industry Doan Duy Thanh, and Vice Chairman of the State Committee for Cooperation and Investment Nguyen Nhac.

Mr. Cam welcomed Mr. Bush's visit which took place at a significant time when the relations between Vietnam and the US were normalised and entered into a new stage. The foreign minister expressed his belief that Mr. Bush with his prestige and influence will actively contribute to the enhancement of the US-Vietnam relations in the interest of the two peoples, and for peace, stability, cooperation and development in the region and the world as a whole.

The US ex-president said he would strive for the mutual understanding and cooperation between the two countries. He expressed his confidence in bright prospects of the US-Vietnam relations at present and in the future.

Mr and Mrs Bush and their entourage arrived here yesterday afternoon at the invitation of Citibank, the first US bank to open a branch in Vietnam. Mr. Bush, the first American ex-president to visit Vietnam since the end of the war in 1975, gave a speech at the city hall this afternoon. This included in a series of lectures sponsored by Citibank.

On Wednesday Mr Bush and other American guests will visit the children hospital and the US Embassy, and meet with business persons in Hanoi. In the afternoon he will leave for Ho Chi Minh City where he is expected to give another speech at the New World Hotel.

Iranian Official for Asia Arrives on Visit

LD0509141295 Tehran IRNA in English
1318 GMT 5 Sep 95

[FBIS Transcribed Text] Kuala Lumpur, Sep. 5, IRNA — The Iranian deputy foreign minister for Asia-Pacific affairs, Ala'eddin Borujerdi, heading a politico-economic delegation arrived in Hanoi Monday, and met with his Vietnamese counterpart, Binh.

The two sides discussed various issues such as forthcoming visit to Tehran of President Le Duc Anh and invitation extended to President Hashemi-Rafsanjani to pay an official visit to Vietnam.

Expansion of regional cooperation between the Association of Southeast Asian Nations, (ASEAN) and the Eco-

nomic Cooperation Organization, (ECO) was another topic discussed at the meeting.

Vietnam recently joined ASEAN as its 7th member. The other members of the association are Malaysia, Indonesia, Singapore, Brunei, Thailand, and the Philippines.

The Vietnamese deputy minister, referring to his country's interest in having cooperation with Iran, said that bilateral relations between the two countries have been upgraded to a desirable level.

Binh expressed hope that Iran would be able to set up cement factory in Vietnam and participate actively in his country's development projects.

The Vietnamese deputy minister saying the Islamic Republic of Iran has valuable experiences in oil industry, noted that Vietnam was willing to buy crude oil from Iran and have technical cooperation in oil-related fields with Iran.

Borujerdi, felicitating the Vietnamese official on the 50th independence anniversary of Vietnam, said the Iranian nation spoke highly of the Vietnamese people for their independence and anti-U.S. struggle.

Australian Commerce Ministry Delegation Visits

BK0509094895 Hanoi Voice of Vietnam in English
1000 GMT 4 Sep 95

[Station commentary]

[FBIS Transcribed Text] A delegation from the Australian Ministry of Commerce led by its minister, Bob McMullan, will visit Vietnam this week. The delegation consists of 30 businessmen from major Australian companies. The visit takes place in the immediate wake of the official visit to Australia by Vietnamese Party Leader Do Muoi. Here is our comment:

The purpose of the visit by Mr. McMullan's delegation is to hold high-level discussion in Hanoi between commercial and economic officials of the two countries to step up bilateral economic and commercial ties. It's an important event in relations between Vietnam and Australia.

Australian Ambassador to Vietnam Ms. Sue Boyd said it was of special significance because it took place after the visit to Australia by Mr. Do Muoi. According to Ms. Boyd, Vietnam's rapid development in the region has encouraged many major Australian companies to invest here. She expressed her country's desire to be one of the biggest investors in Vietnam and hope in future economic relations between the two countries will certainly develop.

This target of Australia can become a reality. There already has been considerable development in economic ties between the two countries in recent years. Last year, trade turnover was about 430 million Australian dollars, or roughly \$325 million. Australia also has relations with Vietnam in many fields such as telecommunications, electricity facilities, medical equipment, steel, oil, and gas.

With the coming visit to Vietnam of Minister McMullan, the two sides will take concrete measures to accelerate trade relation between the two countries.

FAO Head Visits, Meets Foreign Minister

BK0509031295 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 30 Aug 95

[FBIS Translated Text] At the invitation of Foreign Minister Nguyen Manh Cam, Mr. Jacques Diouf, director general of UN Food and Agriculture Organization or FAO, visited Vietnam from 27-30 August. Foreign Minister Nguyen Manh Cam warmly received and hosted a banquet for Mr. Jacques Diouf and other members of his delegation.

The two sides reviewed the cooperative ties between Vietnam and FAO in the past, and discussed future cooperation plans to help accelerate comprehensive and stable agricultural development in Vietnam.

The FAO director general was also received by Prime Minister Vo Van Kiet. The prime minister thanked FAO for its effective assistance in agricultural development in the past twenty years, and expects the FAO to continue supporting Vietnam in the future, especially in technology and experience, so that it could fulfil its highest potential as a tropical agricultural country.

The FAO director general expressed his delight at Vietnam's success in its renovation, especially in agriculture and food production. He also highly valued Vietnam's effective performance in FAO-funded projects in the past 20 years, and confirmed FAO's continued support for the future. He also expressed the hope that Vietnam would offer its experience to other developing nations through FAO's technological cooperation programs, and attend the high-level conference on food in 1996.

During his stay in Vietnam, the FAO director general paid a courtesy visit to Vice President Nguyen Thi Binh. Mr. Jacques Diouf left Ho Chi Minh City today, successfully concluding his visit to Vietnam.

Two Japanese Firms Withdraw From Joint Ventures

BK0509063095 Hanoi VIETNAM ECONOMIC TIMES in English Aug 95 p 5

[FBIS Transcribed Text] Two big Japanese companies, supermarket operator Seiyu and electric furnace steel maker Toa, have withdrawn from planned ventures in Vietnam.

"We decided in May that we would scrap our plan to form a joint venture [JV] to open a supermarket in central Hanoi," a Seiyu spokeswoman said.

Seiyu had agreed with Vietnam National Agricultural Produce Import-Export Corp (VNAPIEC) in September last year to form a JV. They had planned to invest \$500,000 in a supermarket with 300 sq m of floor space at 6 Trang Tien in Hanoi.

In March this year, the Vietnamese state-owned firm told Seiyu that the investment would be too small for a shop in the centre of the city and that it therefore wanted to cancel the agreement. A senior official at VNAPIEC said the Hanoi People's Committee and the SCCI [State Committee for Cooperation and Investment] did not agree to the company's plans for a one-storey building because urban planners stipulate higher buildings for that area. Seiyu still had plans to open shops in Vietnam.

Steel maker Toa said it gave up plans to make construction materials after being told by the government that the machines they were planning to use in the project were too old.

An official at the Vietnam Steel Corporation (VSC) said that VSC was actually working with Japan's NKK Steel and Kyoei Steel and had simply not agreed to the use of Toa's machinery "due to its old age."

Toa started a feasibility study in September last year and planned to build an electric furnace steel plant, capable of producing 800,000 tonnes of steel a year, in northern Vietnam. It had planned investment of \$100 million.

Japan is the third largest investor in Vietnam, with 102 projects underway involving \$1.6 billion. It has jumped from seventh position a year ago, when it had 60 projects worth \$510 million invested.

Leaders Appear at National Day Celebrations

Le Duc Anh Addresses Meeting

BK0209090195 Hanoi Voice of Vietnam Network in Vietnamese 2345 GMT 1 Sep 95

["Text" of speech by President Le Duc Anh at a meeting at the Ba Dinh Square in Hanoi to mark the 50th

anniversary of the August 1945 Revolution and National Day on 2 September — live]

[FBIS Translated Text] Dear compatriots and members of the Armed Forces, dear comrades and friends, and distinguished foreign guests: Today, as we solemnly mark the 50th anniversary of the August Revolution and 2 September National Day, our compatriots, comrades, members of the Armed Forces from the mainland to remote islands, and overseas Vietnamese residents enthusiastically and proudly turn their minds to the historic Ba Dinh Square where half a century ago, President Ho Chi Minh solemnly read the declaration of independence of our beloved Fatherland. Vietnam regained independence on 2 September 1945 after many decades of foreign domination. A new Vietnam — formerly the Democratic Republic of Vietnam and now the Socialist Republic of Vietnam — came into existence and opened a new era for our people to liberate the nation and the working people, and bring about a bountiful, free, and happy life for everyone and for future generations.

Over the past 50 years, under the clear-sighted leadership of the Communist Party of Vietnam founded and trained by President Ho Chi Minh, our people have bravely combined national defense with national construction, overcome countless difficulties and sacrifices, scored great victories of historical significance and profound epochal stature, and contributed positively to the people's common struggle throughout the world for peace, national independence, democracy, and social progress.

The greatness of our people's revolutionary cause must be attributed to the heroism of our people, the solid all-people solidarity bloc, the increasingly firm and strong development of our state, the heroism of our people's army, the support and assistance of our friends and progressive people worldwide, and the leadership of the glorious communist party and venerated President Ho Chi Minh.

As we gather here at this solemn ceremony, we respectfully turn our minds to President Ho Chi Minh, our venerated and great national leader, and respectfully bow our heads before the souls of our ancestors and compatriots, comrades, and combatants who have sacrificed their lives for the Fatherland, socialist ideals, and noble internationalist duties. We express our profound gratitude and warmest sentiments to dependents of fallen combatants, war invalids, families that rendered meritorious services to the nation, comrade veteran revolutionaries, and heroic Vietnamese mothers. We send our cordial regards to overseas Vietnamese compatriots who always turn their minds to the beloved Fatherland.

On behalf of our people, party, and state, I would like to express sincere gratitude to the peoples and governments of friendly and brotherly countries, communist and worker parties, peace- and justice-loving people, international organizations, notables, intellectuals, and progressive people worldwide for their valuable support and assistance to the Vietnamese people's cause of national defense and construction.

Dear compatriots, comrades, and members of the Armed Forces; Dear friends: The great victories of national defense and construction, and the important achievements of the renovation cause that we have carried out under dangerous circumstances testify to the correctness of our people's path and to the bright future of our nation. Looking forward to the eighth party congress, let our people make even greater efforts, develop victories, grasp opportunities, overcome challenges, fight against negativism, and practice industry, thrift, and integrity. Let's concentrate our wisdom and strength on successfully fulfilling the 1995 state plan, and on outstandingly completing the objectives and tasks from now until the year 2000, thus creating the premises for vigorous, steady, and comprehensive national development at the turn of the century.

We continue to broaden our friendly and cooperative ties with all countries for the sake of peace and development. We remain forever a sincere and loyal friend to all nations on this planet.

On the occasion of this solemn anniversary, on behalf of the party and state, I call on our entire party, people, and army to promote unity; develop the heroic traditions of our nation; uphold the spirit of national independence, sovereignty, creativeness, and self-sufficiency and self-help; and firmly maintain national independence, sovereignty, and security. Let's make every effort to accelerate the cause of national renovation, modernization, and industrialization to serve the interests of the nation and the laboring people, make the people rich and the nation powerful, and bring about justice and civilization in society based on socialist orientations. Everything for a peaceful, independent, democratic, prosperous, and powerful Vietnam! Everything for the people's freedom and happiness! President Ho Chi Minh lives forever in our undertaking!

Leaders Attend 'Grand Meeting'

BK0209103995 Hanoi VNA in English
0602 GMT 2 Sep 95

[FBIS Transcribed Text] Hanoi VNA September 2 — A grand meeting followed by a parade of the armed forces and a procession containing floats and representatives of civilian organisations were held at the Ba Dinh Square

here this morning in celebration of the 50th anniversary of the national day (Sept.2).

Present on the grand stand at the historic square where President Ho Chi Minh declared Vietnam's independence half a century ago were party General Secretary Do Muoi, state President Le Duc Anh, Prime Minister Vo Van Kiet, National Assembly Chairman Nong Duc Manh, and other senior party, state and fatherland front officials.

Also present at the function were foreign guests who once shared woe and weal with the Vietnamese people, and wholeheartedly supported the Vietnamese revolution over the past 50 years, and representatives of overseas Vietnamese from 16 countries around the world.

In his keynote speech, President Le Duc Anh said:

'For the past 50 years, now under the leadership of the Communist Party of Vietnam founded and fostered by President Ho Chi Minh, our people have been fighting with valour while building the country with countless hardship and sacrifice, and recording great victories of historic, epoch-making significance, thus actively contributing to the common struggle of the world people for peace, national independence, democracy and social progress...

'At this solemn ceremony, our deepest respect and thoughts go to President Ho Chi Minh, a great and boundlessly beloved leader of our people. We would like also to bow in deep respect to the souls of the predecessors, revolutionary martyrs, compatriots, comrades and combatants who gloriously sacrificed their lives for the fatherland, for the socialist ideal, and for the lofty internationalist duty. We affectionately extend our profound gratitude and most sincere feelings to the families of the war martyrs, the invalids, those credited with services to the country, to the veteran revolutionaries, and to vietnamese heroic mothers. We affectionately extend our sincere greetings to our countrymen who are now living abroad but always turn their heart toward our beloved country.

'On behalf of the people, the party and state, I would like to extend our sincere gratitude to the people, governments of the fraternal and friendly countries, to the communist and worker's parties, peace and justice-loving people, international organizations, personalities, intellectuals and progressive people the world over for their precious support and assistance to the cause of national defense and construction of Vietnam.'

The president noted that the great victories in the resistance wars, national reconstruction and the achievements recorded in the present renovation process attested to 'the correctness of the path our people is fol-

lowing, and to the bright prospects in the future of our country.'

He went on :

'Heading toward the 8th congress of the party, our people should try more to build on the victories, take advantage of all opportunities, overcome every challenge, drive back every negative vice, practise industry, thrift, honesty and righteousness, concentrate our wisdom and strength, fully accomplish our national plan of the year 1995, excellently fulfil the targets and tasks set between now and the year 2000, thus creating premises for the country to achieve a strong, sustainable and comprehensive development in early next century.

'We shall continue to expand relations of friendship and cooperation with all nations for peace and development. We shall remain forever a sincere and loyal friend of all peoples on this planet.'

He concluded his speech by calling 'the entire party, people and army to unite as one to bring the people's heroic revolutionary tradition into play, to enhance the spirit of independence, sovereignty, creativeness, self-reliance, to sustain national independence, sovereignty, and security and to strive to strongly promote the national renovation, industrialization and modernization process in the interests of the people and the workers and for the targets of a strong nation with prosperous people, an equitable and civilized society along the socialism-orientated line.'

Following the president's speech was a military parade and a procession of nearly 50,000 representatives of the armed forces, public employees, other working people in different sectors and social organisations passing by the grand stand and some main streets of Hanoi.

Leaders, Diplomats Attend Banquet

BK0109161395 Hanoi VNA in English

1547 GMT 1 Sep 95

[FBIS Transcribed Text] Hanoi VNA Sept. 1 — A banquet was given here this evening by the party Central Committee, the state president, the National Assembly Standing Committee, the government, and the Fatherland Front to diplomatic corps on the occasion of the 50th anniversaries of the August Revolution (August 19) and the National Day (Sept. 2).

Prominent at the banquet were party General Secretary Do Muoi, party advisor Vo Chi Cong, State President Le Duc Anh, Prime Minister Vo Van Kiet, National Assembly Chairman Nong Duc Manh, Fatherland Front President Le Quang Dao, and other party and state senior officials.

Members of diplomatic corps, representatives of international organisations in Hanoi, foreign guests and overseas Vietnamese were present.

In his speech, President Le Duc Anh said that the Vietnamese people's just cause won support and assistance from the peace-loving, national independent, democratic and progressive forces all over the world. For this, he himself on behalf of the party, state and people of Vietnam expressed sincere thank to foreign friends for their help to Vietnam in its arduous struggle for national independence. He also expressed his wish for their more contributions to fostering the friendship and cooperation between their countries and Vietnam.

The same day, a reception and a banquet were given to consuls-general, representatives of foreign commerce chambers and international organisations in Ho Chi Minh City to mark the event.

Heavy Industry Needs \$3 Billion Investment

BK0509045395 Hanoi VIETNAM INVESTMENT REVIEW in English 14-20 Aug 95 p 30

[FBIS Transcribed Text] Heavy industry, once dismissed by foreign investors as too costly and too slow to turn a profit, has attracted over US\$1 billion in foreign capital from more than 100 projects.

"Many large foreign companies, with their financial and high technological capabilities, have paid more attention to the area of heavy industry," Minister of Heavy Industry Tran Lum told Vietnam Investment Review.

Foreign investors have pledged more than US\$1.2 billion for about 111 heavy industry projects.

However, more than twice that amount — US\$3 billion — is needed in the next five years if a 16 per cent growth target is to be reached.

About 30 such projects, worth US\$130 million, are fully foreign-owned. So far, realised investment capital stands at US\$478 million, or almost half of the registered capital.

Projects include 19 in electronics, 14 in mining and metallurgy, 17 in chemicals, and 57 in engineering and electrical equipment.

"With the Government policy of enhancing economic development in the direction of industrialisation and modernisation, things have changed for the better," Lum said.

Two PVC-producing projects, worth US\$90 million and US\$109.4 million, were licensed last month. Under the Ministry of Heavy Industry alone, there are 34 joint-venture projects worth US\$527 million.

Another 10 investment proposals have been submitted for approval.

A number of these are worth US\$100 million to US\$200 million, like the car manufacturing projects between Ford Motor Company, Chrysler Corporation and Toyota, and their Vietnamese partners, Song Cong Diesel Company, the Vinapopro Plant and the Agriculture-Machines Corporation.

Domestic investment in heavy industry had been low compared with other industries.

Economic development policy, until recently, focused on industries with quick returns and high profits. Also, time and resources had been concentrated on infrastructure construction.

Because domestic funding is limited, priorities had to be shifted if heavy industry was to be developed. That happened in 1992 when businesses in heavy industry were directed to look for development capital through foreign investment.

Most heavy industry production projects need large investment capital but promise only slow payback and low initial profits, making them unattractive to foreign investors.

Apart from steel, electronics, car and motorcycle projects, most others are on a small scale.

Foreign investment in heavy industry is still considered to be at a relatively modest level.

Committee Investigates Toxic Chemicals From War

BK0509131995 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 4 Sep 95

[FBIS Translated Text] According to the National Committee for the Investigation of Toxic Chemicals, as of the end of August, dioxins are still present at dangerous levels in more than 50 localities in our country. These localities are the sites in which U.S. aircraft during the war years dumped toxic chemicals in large quantities after they were shot. These localities are concentrated in some provinces such as Quang Tri, Kon Tum, Tay Ninh, Song Be, Dong Nai, and Da Nang Airport. In particular, the toxic concentration of dioxin over an area of about one hectare in Bien Hoa Military Airport in Dong Nai Province is at a very dangerous level. As much as 5 billion dong is needed to clean up the toxic chemicals at this airport.

Tien Giang Holds Local Party Congresses

*BK0309063895 Hanoi Voice of Vietnam Network
in Vietnamese 0500 GMT 30 Aug 95*

[FBIS Translated Text] In conjunction with the task of directing a review of the three-year implementation of the resolution of Party Central Committee's Third Plenum on party renovation and rectification, Tien Giang Provincial Party Committee has also carried out the plan to organize party congresses for local organizations. Thus far the local committees for preparing party congresses have completed drafts of political reports for congresses, and have started the second stage of introducing candidates for standing positions of party committees of provinces, districts, and district towns for the 1996-2000 term.

Two hundred and twenty four party organizations or 38 percent of total party organizations at grassroots levels of the province have conducted party congresses. At their congresses, these party organizations have elected 1,504 members for party committees for the 1995-97 office term, as well as delegates to upcoming congresses at higher levels.

Cao Bang Holds Local Party Congresses

*BK0209104695 Hanoi Voice of Vietnam Network
in Vietnamese 2300 GMT 29 Aug 95*

[FBIS Translated Text] The Cao Bang Party Committee recently initiated plans to hold congresses for party organizations at various levels. All standing members of party committees of districts, district towns, and other party committees under the province directed closely the organization of party congresses, to ensure that party congresses at local levels will be held in accordance with party principles and by-laws, and not in haphazard fashion.

Party committees have assigned members to inspect and provide assistance to party organizations in preparing for their congresses, especially in preparing political reports, planning duties and tasks, organizing personnel, and handling denunciations and complaints of cadres, party committees, and people, especially denunciations related to party members who are envisaged to be in party committees in the new term.

Pacific Forum Condemns French Nuclear Tests

LD0609083495 Melbourne Radio Australia
in English 0700 GMT 6 Sep 95

[FBIS Transcribed Text] The 15-nation South Pacific Forum has denounced France's resumption of nuclear tests, saying it's inexcusable and provocative. Secretary General Ieremia Tabai says France's flagrant disregard for international opinion does not come as a surprise, but is still a deep disappointment. Mr. Tabai says the Forum's annual meeting in Papua New Guinea next week will discuss the issue in great detail and it will continue to pressure both France and China into halting their nuclear tests.

Individual members of the Forum joined the criticism. A statement released by the office of Western Samoa's prime minister, Tofilau Eti Alesana, said it was an illustration of the French Government's total disregard for world public opinion, especially those [countries] of the Pacific region.

Nauru announced it was suspending diplomatic relations with France and President Bernard Dowiyogo said he would inform Paris that the test represented a blatant example of French governmental arrogance.

Australia

Keating Calls French Test 'Act of Stupidity'

BK0609093495 Melbourne Radio Australia
in English 0630 GMT 6 Sep 95

[From the "International Report" Program]

[FBIS Transcribed Text] France is facing widespread condemnation after detonating a nuclear warhead at Mururoa Atoll earlier today. The first in a series of tests went ahead not long after French President Jacques Chirac indicated the testing program may be reduced. New Zealand and Chile have both withdrawn their ambassadors from Paris. Japan has joined Australia, the United States, and Russia in condemning the action. Australian Prime Minister Paul Keating has called it an act of stupidity and has called for an immediate end to the test program. From Canberra, Graeme Dobell reports on reaction to the first blast in the new French testing program.

[Begin recording] [Dobell] Prime Minister Keating said the Chirac government had done nothing to enhance the honor of France and had severely damaged its international reputation. Mr. Keating said France should abandon its test program and confront the real problem, which is to contain the threat of nonnuclear states seeking nuclear weapons.

[Keating] I condemn what the French have done in the strongest possible terms. It's an act of stupidity. It's not something they need to do. Australia, of course, has now arranged the strongest set of sanctions that we've ever arranged against any other democracy in our history. We have suspended the French contracts. We've withdrawn the ambassador. We have tried to take it up to the United Nations. We've made an impact in France and in Europe, and I think this is reacting now against the Government of France in France. So, these things I think show the French of our feeling here and the fact that the risk is a proliferation risk. It isn't that the French don't have weapons that are of high military grade. The risk for all of us is the proliferation of nuclear weapons, and that is not effectively evaluated.

[Dobell] An Australian parliamentary delegation is visiting Europe at the moment carrying the protest message. One of the group, the opposition spokesman on foreign affairs, Alexander Downer, said the test is in contempt of overwhelming world opinion, is a threat to the environment, and an insult to the nations of the Pacific. Mr. Downer says international pressure is having an impact on France.

[Downer] The more pressure applied, the more embarrassed President Chirac has become. The more isolated he has become, the more difficult this issue has become for France. The only shame is that Australia didn't embark on a campaign back in June after President Chirac's election and before the decision was announced. And then, if we had maintained a campaign through that period very strongly, well, who would know? I mean, history will never judge because it didn't happen. But, we do still need to maintain our campaign, and I will on behalf of the coalition be personally lodging our deep disappointment about the French decision with both the foreign minister and the defense minister tomorrow.

[Dobell] The French ambassador to Canberra, (Dominique Gerard), was called into the Foreign Affairs Department to hear the Australian protest. Mr. (Gerard) pointed to President Chirac's indication that France might cut the number of tests from eight to six.

[(Gerard)] We don't do tests by pleasure. We do that to achieve a few technical goals. If we can reach those goals without doing the whole series, we will do without some of them, you know? What is also clear, I hope you have noticed—speaking of that—is that our president has announced that we would—anyhow, in those circumstances—we would shorten the period, the testing period. So we didn't say exactly how long that will last, but it will be shorter. It will end before 31 May, if we have the [word indistinct].

[Unidentified correspondent] [question indistinct]

[(Gerard)] Well, I don't think it will [pauses] the situation which is not pleasant, but we can understand that criticism. In the long term, we know again, as I told before, that it is our national interests which are at stake. [end recording]

Refuses To Withdraw Envoy

*LD0609075095 Melbourne Radio Australia
in English 0700 GMT 6 Sep 95*

[FBIS Transcribed Excerpt] There is growing international condemnation of France following its decision to go ahead with the first of a series of planned nuclear tests at Mururoa Atoll in the South Pacific. [passage omitted]

Australia's prime minister, Paul Keating, says the French Government has shown its contempt for the countries of the region and all those who hope and work for a nuclear-free world. Mr. Keating says the French test has done nothing to enhance the honor of France and it risks renewing the proliferation of nuclear weapons. But Mr. Keating has ruled out following the lead of New Zealand and Nauru and withdrawing Australia's ambassador from Paris.

[Begin Keating recording] We withdrew our ambassador a month ago from Paris to register our protest, but we now want an ambassador to make that contact to express our disaffection and also to be there when [Development Cooperation and Pacific Island Affairs] Minister Bilney leads the delegation there. Now is the time we want contact, basically [words indistinct] the French. [end recording]

France's ambassador to Australia, Dominique Girard, was called in to hear a formal protest from Foreign Affairs Department officials in Canberra. But Ambassador Girard defended the tests, saying it was in France's national interest and was conducted in perfectly safe conditions.

[Begin Girard recording] We don't do tests by pleasure. We do tests to achieve (?a technical) goal. If we can reach all those goals without doing the whole series, we will do without some of them, (?you know). [end recording]

Minister Seeks To Ease Sino-U.S. Tension

*LD0509091895 Melbourne Radio Australia
in English 0800 GMT 5 Sep 95*

[FBIS Transcribed Text] Australia says it is trying to help repair relations between the United States and China. Foreign Minister Gareth Evans has instructed Australian diplomats in Beijing and Washington to raise Australian concerns about the Sino-American tension.

A spokeswoman for Senator Evans says Australian diplomats have been told to discuss the issue at a series of meetings with key American and Chinese decision-makers. She says the Australian Embassy in Washington is pursuing the issue of relations with China in contact with both the Clinton administration and Congress. The foreign minister's spokeswoman says it's normal for Australia to be discussing Sino-American relations as part of its diplomatic work.

Australia has welcomed an improvement in Chinese-American relations in recent weeks, marked by the release of human rights campaigner Harry Wu and the visit to Beijing by Hillary Clinton.

Ambassador 'Harassed' in Aiding Tibetans at Forum

*LD0509090795 Melbourne Radio Australia
in English 0800 GMT 5 Sep 95*

[FBIS Transcribed Text] Australia's ambassador to China, Michael Lightowler, has been jostled and harassed when he went to the rescue of two Tibetan-born Australians at the nongovernment forum outside Beijing. John Shovelan reports an ugly incident occurred while Australia's health minister, Carmen Lawrence [heading the Australian delegation to the conference], was visiting the conference site.

[Shovelan] After meeting Carmen Lawrence the two Tibetan-born Australians, part of the Tibetans-in-exile delegation, were being interviewed by an Australian camera crew when they were surrounded by over a dozen jeering members of the official Chinese-Tibetan delegation. Ambassador Lightowler went to their rescue and he and the women found themselves later surrounded again as they were about to get into an embassy car. The ambassador stood his ground and told the group of Chinese Tibetans, this time about 20, the women were Australian citizens and he had a consular responsibility to protect them. The embassy then supplied the distressed Australian citizens with a car to drive them from the site.

Requests Halt to Harassment

*LD0609131995 Melbourne Radio Australia
in English 1100 GMT 6 Sep 95*

[FBIS Transcribed Text] Australia's ambassador to China, Michael Lightowler, has told Chinese authorities to stop their officials from harassing Australian women born in Tibet. China correspondent Camille Funnell reports that Ambassador Lightowler lodged a formal protest with Chinese authorities in Beijing over an incident yesterday.

[Funnell] In his meeting Ambassador Lightowler declared it was unacceptable behavior for Chinese officials yesterday to jostle and jeer the two Australian women born in Tibet. The ambassador was present when the incident took place, at Huairou, just outside of Beijing. Meanwhile, an Australian Embassy official in Beijing has again raised complaints with the management of a hotel in the city about continued videotaping of Australian women who are staging nightly meetings to discuss the UN conference.

Canberra Protests Surveillance

LD0509085095 Melbourne Radio Australia in English 0700 GMT 5 Sep 95

[FBIS Transcribed Text] Australia has made a second official protest against Chinese surveillance of Australian delegates attending the women's conference in Beijing. An Australian Embassy spokesman in Beijing says the protest follows the secret videotaping of a meeting of several hundred Australian delegates in a Beijing hotel by two plainclothes securitymen last night. Australian delegates to the UN conference and forum of nongovernment organizations have also complained about overbearing security at other sites. Australia officially complained to the Chinese Foreign Ministry and to the Chinese Embassy in Canberra on 1 September after security officials tried to shut down an earlier Australian delegates' meeting.

Future Pacific Island Aid Strategy Outlined

BK0609142395 Sydney THE AUSTRALIAN FINANCIAL REVIEW in English 24 Aug 95 p 10

[Report by Rowan Callick]

[FBIS Transcribed Text] Australia has re-positioned itself with a tough new statement on the Pacific islands lambasting corruption and warning that if regional governments squander their resources or criticise Australian aid it would be diverted elsewhere.

The move comes three weeks before Mr Keating flies to Papua New Guinea [PNG] for the annual meeting of South Pacific Forum heads of government. And it comes at a period when overall aid levels to the South Pacific are declining, with the effective withdrawal of the US and Britain from bilateral programs and gradual falls in New Zealand aid.

Australia's evolving Pacific strategy was outlined yesterday in a speech by Mr Bilney, Minister for Pacific Island Affairs and Overseas Development, to regional broadcasters meeting at Radio Australia in Melbourne.

He said: "Australia's commitment to the region is undiminished. We are part of the South Pacific and we are here for the long haul."

And he urged sensible cultural adaptation in the island countries, to make connections with the larger Asia Pacific rim countries, or face decline and impoverishment.

However Mr Bilney—who will soon lead a delegation of regional parliamentarians to Europe to protest French nuclear testing at Mururoa—said: "I should make it quite clear that, despite our current differences with France over the nuclear testing issue, we welcome and continue to support France's presence in the South Pacific."

"Since the conclusion of the Matignon Accords (guaranteeing a review of the status of New Caledonia) France has played a constructive role in the region and our firm policy is to look to continued co-operation with France in the Pacific in the long-term."

Mr Bilney—who 14 months ago in a speech in Sydney, first set Australia on its more robust Pacific course, said that 'good progress had been made by island countries "under Australia's leadership" since the last Forum in Brisbane last September which had agreed to give priority to sustainable management of resources and to improved economic management.

A regional code of conduct had been developed for forestry, talks were to start soon with Korea and Taiwan on multilateral fisheries agreements, marine surveillance had improved, airline operations had been rationalised and better economic management had resulted in broadening the tax base in Vanuatu, civil service reforms in Fiji, improved finances in Tuvalu, rehabilitation of mine areas in Nauru, and a structural adjustment program in PNG. "But they are only the first steps," Mr Bilney said. "We need to batten down for the long haul."

He said Australia welcomed PNG's proposed Forum theme: Securing Development Beyond 2000. Sir Julius Chan, PNG's Prime Minister, will chair the meeting, from September 13-15 in Madang.

Mr Bilney stressed the need to stop squandering forests and fisheries. "Sadly, in some countries, greedy and destructive resource harvesting still goes on, often by unscrupulous foreign firms with no commitment to the welfare of the people of the region." The most severely logged nation—though unnamed by Mr Bilney—is Solomon Islands, whose Prime Minister Mr Solomon Mamaloni has recently assumed control over former central bank functions.

Australia's aid, Mr Bilney said, would increasingly be directed to those countries "where government policies

reflect a serious and responsible approach to economic development and resource management".

"Nobody should be surprised to find that Australia will be less and less willing in future to assist those countries in the region which are laying waste their economies and squandering their resources."

This was not paternalistic, he said.

"The truth is simply that, while we are happy to help the island nations, we will not force our assistance on them. This would be silly as well as counter-productive to our objectives in the region.

"If an island country doesn't want our assistance, or is critical of it, we will direct our support elsewhere."

Russian Firms View Feasibility of Space Launches

*LD0409125795 Melbourne Radio Australia
in English 0700 GMT 4 Sep 95*

[FBIS Transcribed Text] Australia and Russia are exploring the feasibility of launching Russian space rockets from Australia. Two Russian companies, STC Complex and the Cosmos Group, are interested in using Australia to launch small rockets to very low orbits of between 400 and 800 km. Representatives from both companies have already identified suitable launch sites in Australia, with a preference for Woomera in South Australia, where facilities already exist. They are scheduled to visit Australia again in the next month to finalize their studies. The Australian Government says light launch vehicles are a cheap and efficient way for Australia to enter the international launch market.

Cook Islands

Ties With French Polynesia Not Affected

*LD0609084195 Wellington Radio New Zealand
International in English 0700 GMT 6 Sep 95*

[FBIS Transcribed Text] Cook Islands Prime Minister Sir Geoffrey Henry say the test is an affront to the Pacific people, but he is determined not to let it affect his country's relations with French Polynesia.

[Begin Henry recording] While we accept that as a political fact French Polynesia is part of metropolitan France, (in a political concoction), we maintain that [words indistinct] and we would not want a decision made by France any more to affect our relationship. It's bad enough that they speak French, and we speak English, and we can't understand each other, so the general feeling is that [words indistinct]. [end recording]

French Polynesia

Two Ex-SAS Commandos Arrested at Test Site

*BK0609010795 Hong Kong AFP in English
2013 GMT 5 Sep 95*

[FBIS Transcribed Text] Papeete, Sept 5 (AFP) — Two anti-nuclear activists were arrested at the French nuclear testing site of Mururoa atoll overnight, one on the atoll itself and the other in its lagoon, a French military source said Tuesday.

The two men, arrested during the night Monday to Tuesday, were "former British SAS (Special Air Service) commandos," said the French military radio SIRPA here, around 1,200 kilometers (750 miles) northwest of the test site.

The two are members of Greenpeace, officials of the environmental organization said here. It was the latest in a series of Greenpeace protests over the past several days against an imminent French nuclear test at the atoll.

The men approached the atoll in a Zodiac inflatable speedboat and then switched to kayaks, the radio said. The first was arrested on the atoll shortly before midnight and the second was found in the lagoon shortly after dawn Tuesday.

The military did not say how far from military installations the arrests were made. It reiterated that anyone found on the test site was there "at their risk and peril" and said the arrests showed security was effective.

Two ships of the Greenpeace environmental organization and several speedboats have been seized by French special forces since Friday after they violated a military exclusion zone around the atoll. On Monday, four Greenpeace members also entered the lagoon and were arrested.

French President Jacques Chirac announced in June that a series of tests would commence in September, leading to widespread protests, including the ongoing campaign of harassment of the Mururoa test site by Greenpeace ships.

Official French sources said the first test was expected to be held early Wednesday, Paris time, under the Mururoa lagoon.

Nauru

President 'Appalled' at Test; Suspends Ties

*BK0609032895 Hong Kong AFP in English
0323 GMT 6 Sep 95*

[FBIS Transcribed Text] Sydney, Sept 6 (AFP) — The tiny Pacific state of Nauru announced Wednesday it was

suspending diplomatic relations with France following the first nuclear test at Mururoa.

President Bernard Dowiyogo said he would inform Paris of the move Wednesday and that the tests "represent a blatant example of French governmental arrogance."

A coral outcrop in the western Pacific, Nauru covers about 21 square kilometers (8.4 square miles) and has a population of about 10,000 and considerable wealth based on phosphate mining.@

It had warned France that diplomatic relations would be imperiled by tests which France started Wednesday at Mururoa atoll.

"I and my government are appalled at the insensitivity of the (President Jacques) Chirac government in the face of world opinion and overwhelming antagonism to such testing amongst the Pacific islanders," Dowiyogo said in a statement sent to AFP.

He again called for the exclusion of French representatives from the dialogue section of the South-Pacific Forum which is to meet in Papua New Guinea next week.

"I shall inform today through diplomatic note the suspension of diplomatic relations with France about which we have already by diplomatic note forewarned the French government," he added

The island leader said that "the Chirac government can hardly expect to escape further criticism by stating that it (France) will probably carry out only six rather than eight tests."

"Such disregard of the rights of the Pacific peoples, and particularly those of our neighbours in French Polynesia represents a blatant example of French government arrogance and unbridled colonial attitudes from which we in the Pacific and the world all wish to escape," he said.

New Zealand

Government 'Outraged' by Nuclear Tests

LD0609095695 Melbourne Radio Australia
in English 0800 GMT 6 Sep 95

[FBIS Transcribed Excerpt] [Passage omitted] Chile and New Zealand recalled their ambassadors from Paris

in protest [at the French nuclear test]. New Zealand's Prime Minister Jim Bolger said his move was a mark of anger over the blast.

[Begin Bolger recording] I made it very, very clear to the French ambassador a few moments ago that New Zealand was both outraged, frustrated, and angry that the Government of France had, effectively, by their decision, dismissed the outrage, the condemnation of the world, not only the South Pacific, in proceeding with their testing. [end recording]

Nauru and Kiribati have suspended diplomatic relations with France. [passage omitted] Papua New Guinea Prime Minister Sir Julius Chan said he had hoped French leaders would take notice of the concerns of the South Pacific countries, but it seemed their protests had fallen on deaf ears. [passage omitted]

Foreign Minister Condemns Test

LD0609083795 Wellington Radio New Zealand
International in English 0700 GMT 6 Sep 95

[FBIS Transcribed Text] New Zealand's foreign minister, Don McKinnon, says he is tremendously disappointed by the French nuclear weapons test. He learned of the explosion at a ceremony in Western Samoa where he was being honored with a high chiefly title. Mr. McKinnon said the test was also aimed at the Western Samoan Government.

[Begin McKinnon recording] [Words indistinct]. They feel it's definitely a signal, because, you know, for them, that's not far from here and that's something they take very seriously. So one can say that the Pacific is very united on this. France should not be testing. [end recording]

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